NJEDA

MEMORANDUM

TO: Members of the Authority

FROM: Evan Weiss
Chief Executive Officer

DATE: July 22, 2026

SUBJECT: Agenda for Board Meeting of the Authority July 22, 2026

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

CEO's Report to the Board

Public Comment

Aspire

NJ Next Manufacturing Program

Café

Bond

Food Security

Strategic Innovation Centers

NJIEF

Clean Energy

Technology Innovation

Board Memoranda

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

June 10, 2026

MINUTES OF THE MEETING

The Meeting was held in person, via Microsoft Teams, and teleconference call.

Members of the Authority present in person, via Microsoft Teams, or conference call: Chairman Terry O'Toole; Charles Sarlo, Vice Chair; Public Members: Phil Alagia, Tim Hillmann, Josh Weinreich, Fred Dumont, Aisha Glover, Robert Shimko, First Alternate Member, and Jewell Antoine-Johnson, Second Alternate Public Member. Ex-officio Members: Samuel Kovach-Orr, Executive Representative Designee; Acting Commissioner Kevin Jarvis of the Department of Labor and Workforce Development, State Treasurer, Aaron Binder, Elizabeth Dragon representing Acting Commissioner Ed Potosnak of the Department of Environmental Protection, and Mark Gyorfy representing Acting Commissioner Susan Ochs of the Department of Banking and Insurance.

Members of the Authority absent: Public Member, Massiel Medina Ferrara

Also present: Evan Weiss, CEO of the Authority, Mary Maples, Deputy CEO of the Authority; Meredith Friedman, Deputy Attorney General, Assistant Section Chief, and staff.

Chairman O'Toole called the meeting to order at 10:01 AM.

In accordance with the Open Public Meetings Act, Mr. Weiss announced that notice of this meeting has been sent to the *Bergen Record*, the *Trentonian*, and the *Star Ledger* at least 48 hours prior to the meeting, and that a meeting notice has been duly posted on the Secretary of State's bulletin board at the Department of State. Mr. Weiss also announced that pursuant to the Internal Revenue Code of 1986, as amended, today's board meeting is a public hearing as it relates to any private activity bond projects presented.

FOR INFORMATION ONLY: The next item was the presentation of the Chairman's Remarks to the Board.

FOR INFORMATION ONLY: The next item was the presentation of the Chief Executive Officer's Monthly Report to the Board.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of May 13, 2026, meeting minutes. A motion was made to approve the minutes by Ms. Dragon, seconded by Mr. Hillmann, and approved by the thirteen (13) voting members present.

PUBLIC COMMENT

Charlie Tebele, part owner and Interim CEO of Starman New Photonics, commented on the Starman New Photonics Application under consideration for approval on the Board Agenda.

FOR INFORMATION ONLY: The next item was a summary of the Policy and Audit Committee meetings from May 28th and May 29th respectively.

COMMUNITY DEVELOPMENT

ITEM: Reallocation of Main Street Funding
REQUEST: To approve: (1) Utilize future FY2027 Governor approved State budget appropriations for the Main Street Recovery Finance Program to fund grant approvals for either the Small Business Lease Grant (SBLG) and/or Small Business Improvement Grant (SBIG); (2) Close the Small Business Liquor License Grant (SBLLG) and reallocate the remaining balance to fund additional grant approvals for the Small Business Lease Grant; and (3) Delegation of authority to the CEO to allow staff to utilize principal and interest payments from the Main Street Micro Business Loan (MBL) to fund grant approvals for either the SBLG or SBIG as needed.
MOTION TO APPROVE: Mr. Dumont SECOND: Mr. Weinreich AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

Public member Jewell Antoine-Johnson joined the meeting at 10:28 AM.

ITEM: Updated USEDA Revolving Loan Plan
REQUEST: To approve: (1) The Updated USEDA Revolving Loan Fund (RLF) Plan, including the utilization of RLF funds to support NJEDA's existing lending programs - specifically the Direct Loan, Small Business Fund, and Premier Lender programs when applicable - in accordance with the Plan and U.S. Economic Development Administration (USEDA) requirements; (2) Delegation of authority to the CEO to execute any required agreements, certifications, or amendments related to the RLF, and take such further actions as necessary to implement the RLF Plan in accordance with USEDA requirements and the terms outlined therein.
MOTION TO APPROVE: Treasurer Binder SECOND: Mr. Shimko AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

FOR INFORMATION ONLY: The next item was a summary of the Incentives Committee meeting on May 27, 2026.

INCENTIVES
ASPIRE

ITEM: Aspire Program- Christian Health Senior Housing Development Corporation
REQUEST: To approve: Issuance of tax credits from the Aspire program for a residential project located in Totowa, New Jersey, Passaic County up to 60% of the eligible project cost.
MOTION TO APPROVE: Mr. Hillmann SECOND: Mr. Weinreich AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

NEXT NJ

ITEM: Project Approval - Starman New Photonics LLC, Next NJ Manufacturing Program Application
REQUEST: To approve a tax credit award under the Next New Jersey Manufacturing Program.
MOTION TO APPROVE: Acting Comm. Jarvis SECOND: Mr. Alagia AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

CAFE

ITEM: The Trustees of the Free Public Library of the Township of Montclair ("Applicant") Montclair Public Library & Cultural Center Project
REQUEST: To approve a tax credit award of 100% of the eligible project cost, under the Cultural Arts Facilities Expansion (CAFE) Program for the Montclair Public Library & Cultural Center cultural arts facilities project (Project) located in Montclair, Essex County.
MOTION TO APPROVE: **Mr. Hillmann SECOND: Mr. Weinreich AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: Home Port Alliance for the USS New Jersey, Inc. ("Applicant") Battleship New Jersey Redevelopment Project
REQUEST: To approve a tax credit award of 100% of the eligible project cost, under the Cultural Arts Facilities Expansion (CAFE) Program for the Battleship New Jersey Redevelopment cultural arts facilities project (Project) located in Camden, Camden County.
MOTION TO APPROVE: **Mr. Dumont SECOND: Ms. Antoine-Johnson AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

FOR INFORMATION ONLY: The next item was a summary of the DLRC meeting on June 1, 2026.

BONDS

APPLICANT: QCF Advantage, LLC* PROD- 00325447
LOCATION: 48 New Jersey locations across Bergen, Burlington, Camden, Mercer, Morris, Ocean, Passaic, and Union counties
PROCEEDS FOR: Stand-Alone Bond
AMOUNT OF BOND: Not to exceed $653,400,000 Tax-Exempt and federally taxable
MOTION TO APPROVE: **Ms. Antoine-Johnson SECOND: Mr. Gyorfy AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

EXECUTIVE SESSION

The next item was to adjourn the public portion of the meeting and move into Executive Session to discuss a matter involving attorney-client privilege and potential litigation.
MOTION TO APPROVE: Mr. Weinreich SECOND: Mr. Alagia AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

The Board returned to Public Session.

CLEAN ENERGY

REQUEST: To approve nine (9) Applications and Grant Awards under the Reducing Emissions through Retrofits, Optimization, Fuel-Switching, and Innovative Technologies Grant Program ("RETROFIT NJ") as listed below and Delegated Authority to the CEO to Approve any Remaining timely filed applications for the reasons presented in Executive Session.

List of Nine Retrofit Applications for Approval under this Resolution:

1. The Port Authority of New York and New Jersey
2. The Port Authority Trans-Hudson Corporation. (a.k.a. PATH)
3. Camden County Vo-Tech School (AKA Camden County Vocational School or the Board of Education of the Vocational School in the County of Camden)
4. Christ Church/CARE Center of New Jersey (CCNJ)
5. Housing Authority of Plainfield (Richmond Towers)
6. Showboat Hospitality LLC (Tower Investments, Inc.)
7. Rutgers, the State University of New Jersey
8. DGMB Casino, LLC (AKA Resorts Casino Hotel)
9. XL Plastics, Inc.

MOTION TO APPROVE: Mr. Weinreich SECOND: Ms. Dragon AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: RETROFIT NJ – Somerset Holmdel Development I L.P. (a.k.a. Bell Works)
REQUEST: To approve application and issuance of a grant award to Somerset Holmdel Development I L.P. under the Reducing Emissions through Retrofits, Optimization, Fuel-Switching, and Innovative Technologies Grant Program ("RETROFIT NJ").
MOTION TO APPROVE: Ms. Dragon SECOND: Mr. Hillmann AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

Mr. Shimko recused from voting due to a conflict of interest as his employer has done work on the facility in the past and there is a possibility of conducting work on the facility in the future.

BOARD MEMORANDA – FYI ONLY

- Economic Transformation - Delegated Authority Approvals, Declinations, & Other Actions, Q1 2026
- Credit Underwriting – Delegated Authority Approvals, May 2026

There being no further business, on a motion by Ms. Dragon, seconded by Ms. Antoine-Johnson, and approved by unanimous vote, the meeting was adjourned at 11:47 AM.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the New Jersey Economic Development Authority at its meeting.

Danielle Esser

Danielle Esser, Director
Governance & Strategic Initiatives
Assistant Secretary

MEMORANDUM

To: Members of the Authority

From: Evan Weiss, Chief Executive Officer

Date: July 22, 2026

RE: Aspire Program - Product #325096
Randolph Senior LIHTC LLC ("Applicant"), IMGN Communities, Inc. ("Co-Applicant")

Request

Issuance of tax credits from the Aspire program ("the Program") for a residential project located in Hainesport, Burlington County, New Jersey up to 60% of the eligible project cost ("eligible costs"), not to exceed $14,503,922.

Aspire Program Background

The New Jersey Economic Recovery Act of 2020, N.J.S.A. 34:1B-322, et seq., provides that the "authority shall administer the program to encourage redevelopment projects through the provision of incentive awards to reimburse developers for certain project financing gap costs." On January 23, 2025, new amendments to the Act (P.L. 2025, c.2) became effective, and new special adoption rules were adopted by the Authority Board on July 23, 2025, and took effect on August 1, 2025, upon submission to the Office of Administrative Law (regulations as amended are the "Rules"). This application is being considered based upon the Act (as amended by P.L. 2025, c.2) and the Rules.

The Program provides tax credits for five years for certain projects or ten years for all others (the "Eligibility Period"). The amount of tax credits a real estate development project or "Redevelopment Project", receives is generally a percentage of the project's costs and is subject to a statutory cap determined by project location and other aspects of each project.

Project Description

The Project, known as Randolph Senior Estates, is a proposed new construction development of seventy rental units within a three-story building with elevator. The Project will entail the development of this fully affordable apartment building, encompassing sixty-three one-bedroom units, seven two-bedroom units, of which six one-bedroom units will be set aside for those who are approved through the New Jersey Division of Developmental Disabilities. The Project is located at 810 Marne Highway in Hainesport. The Project consists of 69,965 square feet of gross building area

Project Ownership

The Applicant, Randolph Senior LIHTC, LLC is wholly owned by the Lead Development Entity, MRK Partners, Inc. As is the case with most LIHTC financed transactions, an investor member will enter the partnership at financial closing as a 99.99% Limited Partner with Randolph Senior MM LLC reverting to a 0.01% General Partner continuing in the role of Managing Member.

The Applicant has an exclusive option to lease the property site from its owner MBID of Delaware LLC, pursuant to a Letter Agreement dated of December 30, 2020, and as amended thereafter several times through June 20, 2026 (Collectively the JV Agreement).

Lead Development Entity

MRK Partners, Inc., ("MRK"), is the Lead Development Entity, founded in 2015, which is a full-service real estate organization that specializes in acquisition, repositioning, preservation and the creation of affordable housing. Under the leadership of Sydne Garchik, MRK Partners, Inc., has purchased developed and managed projects across California, Florida, Michigan, Missouri, Virginia, and Maryland. On May 1, 2026, MRK purchased both Ingerman Development Company and Ingerman Management Company via an Asset Purchase Agreement. Ingerman Development and Management companies have previously developed and managed real estate assets in New Jersey, Delaware, Pennsylvania and Maryland. Ingerman staff have transitioned to MRK and have more than thirty years' industry experience.

Prior NJEDA Experience

MRK Partners, Inc., does not have prior NJEDA experience as this Project is the first development project with the Authority. However, Ingerman Development Company has prior development experience in New Jersey in Cliffwood, Jersey City, and Stewartsville.

Co-Applicant

The Co-Applicant for the Project is IMGN Communities, Inc. ("IMGN"). However, at the time Applicant submitted its application, the Co-Applicant's name was Premier Housing Services, Inc., but changed its name to IMGN on May 26, 2026, via its By-Laws, a Certificate of Amendment filed in Delaware and a corresponding New Jersey Amended Certificate of Authority. IMGN is a nonprofit 501(c)3 single purpose entity. IMGN will provide services to the residents of the housing development. IMGN was originally established in 2017 and its core mission is to provide programs designed to improve the quality of life for low-and-moderate income families, seniors and individuals with disabilities.

The Co-Applicant will be contributing services that directly affect and serve the residents of the Community. Pursuant to the Memorandum of Understanding between the Co-Applicant and Applicant, such services shall include, but not be limited to the following:

- Provide information and referrals to residents and families on programs and resources

- Interview and screen residents for eligibility for programs and entitlements and assist with application procedures
- Assess the needs of residents, including physical, mental, social and financial needs and develop a plan for service delivery
- Monitor and evaluate service delivery, and reassess as necessary
- Establish links with agencies and service providers, including the Burlington County Division of Senior Services
- Coordinate with outside agencies and community partners to facilitate service delivery on-site focusing on mobile health screenings and vaccinations, healthy and active living, and financial services
- Contact family members as needed to obtain information, discuss service arrangements, or encourage family involvement
- Plan and implement monthly programs and actives to meet the needs of residents including the establishment of social, educational and recreational programs
- Develop volunteer programs and informal support networks
- Periodically evaluate the effectiveness of service provisions and delivery to ensure residents' needs are met and make changes to encourage resident engagement and involvement

The Applicant and Co-Applicant will enter into a Participation Agreement that will specify the Co-Applicant's participation in the Redevelopment Project and evidence a commitment to providing the support and assistance previously described. The terms of the Participation Agreement shall encompass the duration of the Eligibility Period.

Per the Rules, in the application the Co-Applicant must also demonstrate the following:

The Co-Applicant has complied with all requirements for filing tax and information returns and for paying or remitting required State taxes and fees by submitting, as a part of the application, a tax clearance certificate, as described in section 1 at P.L. 2007, c. 101 (N.J.S.A. 54:50–39).

The Co-Applicant has provided staff with a valid Tax Clearance Certificate as of this recommendation.

The Co-Applicant's organizational purpose encompasses the proposed participation.

Premier Housing Services, Inc. is a nonprofit corporation organized under the laws of the State of New Jersey for the purpose of promoting economic, civic, and social welfare by providing a comprehensive program of economic development.

The Co-applicant has the financial and operational capability to provide the proposed contribution or services.

Authority staff have reviewed financial statements and operational capability of the Co-Applicant substantially, evidencing the ability to provide the proposed services.

The Co-applicant's receipt and sale of the tax credits is necessary to finance the Redevelopment or Development Project.

The tax credit certificates will be allocated to the Co-Applicant which will sell the credits annually to a tax credit investor and return those sales proceeds into the partnership Applicant. This allows the Project to obtain the Aspire credit sales proceeds without tax consequences and to pay annual debt service on an Aspire bridge loan, putting critically important capital into the project.

Legal Review and Sister Agency Check

A Legal Review (debarment/disqualification review) was completed on the Applicant, Co-Applicant, Lead Development Entity by the Authority, and all entities were cleared. All these entities were also found to be in substantial good standing with the Department of Labor and Workforce Development, Environmental Protection, and the Treasury.

Architect

Thriven Design of Collingswood, New Jersey, founded in 1971 by Benjamin Kitchen, AIA PP has decades of design experience. Thriven provides full-project interdisciplinary collaboration in architecture, engineering, planning, interior design, and energy-related consulting services to public agencies, private developers, nonprofit organizations and local municipalities throughout the country.

General Contractor

Ingerman Construction Management, LLC, is the general contractor for the Project and was founded in 1994 by Brad Ingerman. Headquartered in Collingswood, New Jersey, the firm has completed over 11,000 apartments representing more than $1.4 Billion in total construction value and delivers construction support to projects across New Jersey, Pennsylvania, Delaware and Maryland.

Construction Timeline

Construction is expected to commence by August 30, 2026, and is expected to take 18 months to complete.

As a single-phase residential project, the Aspire Program Rules require this Project to be completed within four years of executing an incentive award agreement.

Project Details

The Project will also comply with the NJHMFA Energy Star Homes Program requirements for NJ Zero Energy Ready Homes, which satisfies NJEDA Green Building Standards.

Project Uses and Sources

The Applicant proposes the following uses for the Project:

	Total Development Costs	Eligible Project Costs
Acquisition	$350,000	$0
Hard construction costs	$21,002,241	$20,362,241
Professional Services	$1,456,242	$1,406,242
Financing and other soft costs	$,4,954,205	$2,452,107
Developer Fee	$3,821,572	$3,821,572
Total	**$31,584,260**	**$$28,042,162**

The eligible project cost is the cost included in total development costs that is used for sizing the tax credit. When 100 percent of the residential units constructed in a residential project are reserved for occupancy by low-and-moderate-income households, eligible project costs include developer fee(s) paid before acquiring permanent financing, as well as the deferred developer fees approved pursuant to the rules established by the NJHMFA. However, it excludes various pre-development costs incurred prior to application such as site work, and certain soft costs.

Pursuant to the Rules, projects located in a municipality with a population less than 200,000 according to the latest Federal decennial census shall have an eligible project cost of at least $ 10,000,000. The total development cost for this project is $31,584,260, which satisfies is the threshold.

The Applicant proposes the following Sources for the Project:

Sources	Type	Amount
HMFA First Mortgage	Debt	$2,950,000
HMFA, AHPF, MGFP and SNHTF	Loan	$10,900,000
Affordable Housing Trust Fund Loan	Loan	$100,000
Aspire Bridge Loan	Aspire Proceeds	$$6,488,000
LIHTC Proceeds	Tax Credit Equity	$9,362,608
Deferred Developer Fee	Equity	$1,783,652
	Total	**$31,584,260**

Developer Contributed Equity
Based on the equity requirement in the Program Rules of 20% of total development costs for a residential project not in a government-restricted municipality the required equity in this Project equates to $6,316,852. The total equity consists of $11,146,261 and includes Low Income Housing Tax Credit Investor Proceeds in the amount of $9,362,608 and Deferred Developer fee in the amount of $1,783,652.

Statutory Aspire Award Cap

This is a residential development utilizing Low-Income Housing Tax Credits and is therefore eligible for an Aspire tax credit equal to the lesser of 60 percent of eligible project costs or $90 million. Total development costs are estimated at $31,584,260, with eligible costs pursuant to the Aspire Program Rules estimated at $28,042,162. Accordingly, the Project is eligible for an Aspire tax credit not to exceed $16,825,297, however the Applicant has requested $14,503,922, representing just under 60 percent of eligible costs and below the $90 million statutory cap.

Financing Gap Analysis

NJEDA staff have reviewed the application to determine if there is a shortfall in the Project development economics pertaining to the return on the investment for the Applicant and their ability to attract the required investment for this Project.

Because the Project is receiving Low-Income Housing Tax Credits for all the units and the equity consists of tax credit equity and deferred developer fee, NJHMFA's deferred fee model was used to measure the appropriate and reasonable rate of return. The total developer fee is $3,821,572 with approximately $1,783,652 of the developer fee being deferred. This conforms to the Agency's policy, as the total developer fee is less than 15% of total development costs and the non-deferred fee is less than the cap on non-deferred fees of 8% of total development costs.

Aspire Tax Credit Sale Price

For projects consisting of newly constructed residential units and including a Low-Income Housing Tax Credit Allocation the consideration for the sale or assignment of the Aspire tax credits can be no less than 65 percent of the transferred credit amount before considering any further discounting to present value. The Applicant has provided documentation to the Authority that the consideration contemplated in the current financing structure is 88 percent of the transferred credit amount before considering any further discounting to present value. Currently it is anticipated that a bridge loan will be secured by the future sale of proceeds from the tax credits, and when accounting for these proceeds received during construction, it represents a discount rate of 8.24% from the 88 percent consideration of the transferred credit amount. The sources identified above in the Sources table as "Aspire Bridge Loan" reflect the value of this bridge loan. The ultimate financing structure and any changes in the future will be subject to this requirement and the Applicant will need to evidence this prior to any assignment or transfer of the Aspire tax credits.

Currently it is anticipated that a tax credit investor will make a series of equity contributions available as sources during the development of the Project and these sources are identified in the Uses table above as "Aspire Proceeds". The ultimate financing structure and any changes in the future will be subject to this requirement and the Applicant will need to evidence this prior to any assignment or transfer of Aspire tax credits.

Net Positive Benefit Analysis

The NJEDA shall conduct a fiscal impact analysis to determine and ensure that the overall public assistance provided to an Aspire awarded project will result in a net positive economic benefit to the State. Exceptions to the requirement are capital investment for a residential project, a capital investment for a food delivery source, or a health care or health services center. The Project is a residential project and, therefore, the entire award and capital investment are not subject to the net positive economic benefit analysis.

Other Statutory Criteria

Affordability Controls

For any residential project that includes newly constructed residential units, (that is, not a project consisting solely of rehabilitated or renovated existing units, with no change to the composition of the units or creation of new units), at least 20 percent of the residential units must be reserved for occupancy by low- and moderate-income households with affordability controls as required under the Program Rules. As a residential project with newly constructed residential units, this requirement is applicable to this Project.

Scoring

The Applicant is required to achieve a minimum score to be eligible for an Aspire award. The Project was scored in the areas of Equitable Development, Smart Growth, Environmental Justice, and Climate Resilience. The Applicant has satisfactorily evidenced to staff that the Project is consistent with the policy objectives represented by this scoring criteria.

Community Benefits Agreement

For a Redevelopment Project whose total project eligible project cost equals or exceeds $10 million, a community benefits agreement is required to be entered into by the Authority, chief executive of the municipality and the Applicant unless the Applicant submits a redevelopment agreement that meets the statutory standards of a community benefits agreement or resolution that renders a community benefit agreement unnecessary. The Applicant has provided a letter of support from the chief executive of the municipality acknowledging this requirement and affirming that the municipality shall proceed to negotiate a community benefits agreement in good faith with the Applicant and will execute the community benefits agreement within the time required.

Labor Harmony Agreement

NJEDA shall not enter into an incentive award agreement for a Redevelopment Project that includes at least one retail establishment which will have more than 10 full-time employees, at least one distribution center that will have more than 20 full-time employees, or at least one hospitality establishment which will have more than 10 full-time employees, unless the incentive award agreement includes a precondition that any business that serves as the owner or operator of the retail establishment, distribution center, or hospitality establishment enters into a labor harmony agreement with a labor organization or cooperating labor organizations that represent retail or distribution center employees in the State. However, a labor harmony agreement shall be required only if the State has a proprietary interest in the Redevelopment Project and shall remain in effect for as long as the State acts as a market participant in the Redevelopment Project. This project does not have a State proprietary interest and therefore is not subject to this requirement.

Prevailing Wage Obligations
For any project awarded Aspire tax credits all workers employed to perform construction work or building services work at the Redevelopment Project shall be paid prevailing wages, which continue through the end of the Eligibility Period. The Applicant has acknowledged this requirement and that in any year where this is found not to be the case, the Applicant shall forfeit the tax credit for that year.

Substantial Good Standing/Subcontractor and Contractor Requirements
For the duration of the Eligibility Period, the developer must be in substantial good standing (or have entered into an agreement) with the Department of Labor and Workforce Development, Environmental Protection, and the Treasury for any project awarded Aspire tax credits and that each contractor and subcontractor performing work at the Redevelopment Project: is registered as required by the Public Works Contractor Registration Act, has not been debarred, suspended, or disqualified by the Department of Labor and Workforce Development from engaging in or bidding on Public Works Contracts in the State or been debarred, suspended, or disqualified by a federal agency from engaging in federally-funded construction projects or bidding on federal contracting opportunities, and possesses a tax clearance certificate issued by the Division of Taxation in the Department of the Treasury.

Availability of Emerge/Aspire Resources
At the time of this recommendation, there are $1,727,780,530 in unallocated tax credit resources available to Aspire projects located in the Northern-most counties in the State for the fiscal year.

Recommendation
Authority staff has reviewed the application for Randolph Senior LIHTC, LLC and finds that it satisfies the eligibility requirements of the new Legislation and current programs Rules. It is recommended that the Members approve and authorize the Authority to issue an approval letter and subsequently enter into an incentive award agreement. The tax credit award would be credited against the total available award authority.

The Project is subject to a 10-year Eligibility Period.

Issuance of the Aspire tax credits are contingent upon the Applicant submitting documentation evidencing project financing and planning approvals with respect to the Project within the time required in the current Rules (one year after approval), which includes:

1. Financing commitments for all funding sources for the Project consistent with the information provided by the Applicant to the Authority for the Aspire tax credit;
2. Evidence of site control and site plan approval for the Project including an executed lease agreement for the project site.; and
3. Copies of all required State and federal government permits for the Project and copies of all local planning and zoning board approvals that are required for the Project.
4. Issuance of the Aspire tax credits are also contingent upon the Applicant submitting a Participation Agreement between the Applicant and Co-Applicant within one year of approval.

The recommendation is approval of an award of up to 60% of the eligible project cost, not to exceed $14,503,922 in Aspire tax credits based upon the financing gap illustrated by the Project's actual capital stack at time of commitment.

Evan Weiss, CEO

TO: Members of the Authority

FROM: Evan Weiss, Chief Executive Officer

DATE: July 22, 2026

SUBJECT: Project Approval Memo – BeOne Medicines US Manufacturing Co., Inc. (BeOne), Next NJ Manufacturing Program Application

REQUEST:

The Members of the Authority are asked to:

1. Approve the proposed Next New Jersey Manufacturing Program tax credit award, for $6,795,984.00 per year over five years, for a total of $33,979,920.00, to BeOne Medicines US Manufacturing Co., Inc. The recommended tax credit award is subject to conditions subsequent to receiving and maintaining the award, including submission of certifications and evidence that the company has met the eligibility criteria. Through delegated authority, staff is authorized to lower the award amount, to reflect the award amount that corresponds to the actual employment and capital investment in the project completion certification provided that neither the application information nor the project has materially changed.

LEGISLATIVE BACKGROUND:

On January 7, 2021, Governor Phil Murphy signed the New Jersey Economic Recovery Act of 2020 (ERA), P.L. 2020, c. 156, into law.

The ERA included the creation of the Emerge program; a tax incentive program designed to support job creation and large-scale job retention and the Aspire Program that was created to stimulate economic growth and real estate development in the State with an overall funding allocation of $1.1 billion per year over six (6) years for a total of $6.6 billion.

Subsequent to the ERA, the Legislature has established two job and capital investment-based tax credit incentive programs focused on specific economic areas: Next NJ Program – AI and Next NJ Manufacturing Program.

The Next NJ Manufacturing Program ("Program") was signed into law, P.L. 2025, c. 123 ("Act"), on August 13, 2025, and is leveraging $500 million of uncommitted funds from the Emerge and Aspire Programs. The Program was created with the goal of driving job creation, capital investment, and innovation in New Jersey's thriving Manufacturing sector. The Program is designed to position the State as a dynamic leader in the manufacturing industry, fueling long-term growth and economic prosperity. The Program will accept applications through March 1, 2029, on a rolling basis subject to available tax credits.

ABOUT THE NEXT NJ MANUFACTURING PROGRAM:
The Next NJ Manufacturing Program is a capital investment and jobs-based tax credit program aimed at drawing significant capital investment, creating good paying manufacturing and manufacturing related jobs, and cementing New Jersey's position as a leader in the Manufacturing industry economy. The Program offers competitive incentives for companies ready to invest in New Jersey's Manufacturing sector and commit to the State's long-term growth. The Program awards tax credits to eligible businesses that make qualified investments supporting job creation and the growth of the manufacturing sector. These credits are designed to encourage the establishment, expansion, or modernization of manufacturing facilities, strengthening the State's economic base and promoting long-term employment opportunities.

To be eligible for the Next NJ Manufacturing Program, a project must meet various eligibility criteria at the time of application. In addition, a project must comply with certain requirements during the eligibility period (first five years after the business certifies to the Program eligibility requirements and when the tax credits are issued) and the compliance period (portion of the 10-year commitment period starting immediately after the conclusion of the eligibility period). Some of the key criteria and standards include:

- Create a minimum of 20 new full-time jobs at the qualified business facility.
- Meet minimum capital investment requirement of $10 million at the company's qualified business facility in the State.
- The median salary of the full-time jobs at the qualified business facility shall be no less than 120 percent of the median salary for manufacturing employees in the county in which the project is located; or if the qualified business facility is a complex of buildings that spans multiple counties, the county with the highest median salary among the counties where the buildings comprising a complex of buildings are located will be used.
- The qualified business facility is primarily engaged (more than 50 percent) in Manufacturing or certain Manufacturing-related activities. Space used for ancillary activities related to packaging and distribution at the facility, including, but not limited to, warehousing if the business uses the warehouse as part of the chain of distribution for products assembled, processed, and/or manufactured at the facility, and research and development related to creation of new products or improvement of existing products at the facility, may be considered manufacturing space.
- The business will enter into a collaborative relationship with an entity listed in the Act and Program rules that must be evidenced by the provision of opportunities for workforce hiring, training, or apprenticeship; research and development; demonstration project; curriculum development or educational activity; or other measures determined appropriate by the Authority.
- The business will ensure that at least 80 percent of incented employees' work time is spent in New Jersey and at the qualified business facility.
- The business will commit to stay in the State and maintain the incented jobs for a total of ten (10) years (the commitment period).

APPLICANT:
BeOne Medicines US Manufacturing Co., Inc. (BeOne)

PROJECT LOCATION:
311 Pennington Rocky Hill Rd.
Small Molecule Drug Product (SM DP) Building
Pennington, NJ 08534

APPLICANT BACKGROUND:
BeOne Medicines US Manufacturing Co., Inc., our applicant, serves as the U.S.-based manufacturing arm of its parent company, BeOne Medicines AG (NASDAQ: ONC), a publicly listed global oncology company recognized for developing innovative therapies for hematologic and solid tumor cancers.

BeOne's U.S. operations are anchored by its state-of-the-art, $800 million biologics manufacturing and clinical R&D facility; also known as the "Hopewell Campus"; at the Princeton West Innovation Campus in Pennington, New Jersey. Opened in 2024, the 42-acre, 400,000-square-foot site has become a cornerstone of the company's domestic manufacturing strategy, expanding late-stage development and commercial production capacity, supporting hundreds of high-skilled jobs, and strengthening U.S. supply chain resilience for critical oncology treatments.

Founded in 2010 and publicly listed in 2016, the company rebranded from BeiGene to BeOne Medicines in November 2024 and completed a strategic re-domiciliation to Basel in May 2025 as part of its continued global expansion. Today, BeOne Medicines AG operates across six continents and more than 45 countries, employing over 12,000 people worldwide, including more than 1,800 in the United States, of which 117 are currently based at the "Hopewell Campus" in Pennington New Jersey.

The company's commercial oncology portfolio includes leading therapies such as BRUKINSA (zanubrutinib), a globally approved BTK inhibitor, and TEVIMBRA (tislelizumab), a PD-1 checkpoint inhibitor with international registrations. Its pipeline of more than 40 clinical and commercial-stage assets, highlighted by breakthrough programs such as sonrotoclax, which has received both FDA accelerated approval and Breakthrough Therapy designation. This progress has translated into substantial financial growth, with global revenues increasing from $3.8 billion in 2024 to $5.3 billion in 2025, marking the company's first profitable year.

PROJECT BACKGROUND:
BeOne is advancing an initiative to establish a newly constructed, U.S.-based, small-molecule pharmaceutical manufacturing facility; an investment that represents a pivotal next step in the company's long-term growth and U.S. operational expansion strategy.

Building on BeOne Medicines AG's scientific, commercial, and financial momentum, this project represents the company's first major entry into small-molecule drug product manufacturing in the United States. Following a comprehensive U.S.-wide site selection analysis and evaluation of the tax credit program, the initiative will complement the company's already substantial biologics manufacturing presence in New Jersey.

BeOne's proposed project represents a strategic investment in strengthening its domestic manufacturing capabilities through the construction of a new manufacturing facility at its existing Hopewell Campus, in Pennington, NJ. The project is intended to transition a significant portion of the company's production activities from third-party or overseas manufacturers to an internally controlled domestic manufacturing operation, providing greater oversight of product quality, production scheduling, supply chain resilience, and long-term operational efficiency.

This shift reduces the company's reliance on external suppliers and international supply chains, including those in China and other foreign markets, and reflects broader industry movement toward onshoring essential pharmaceutical manufacturing functions. The project is designed to mitigate geopolitical, transportation, and supply-chain risks that have exposed vulnerabilities in globally distributed manufacturing networks.

The proposed new facility will enable BeOne to exercise greater control over the end-to-end manufacturing process, from production planning through commercial-scale manufacturing, while enhancing supply continuity for patients and healthcare providers. In addition to supporting the company's long-term growth strategy, the investment is expected to strengthen domestic biopharmaceutical manufacturing capacity, create high-quality employment opportunities, and establish a more resilient and reliable U.S.-based production platform for current and future therapies.

This proposed facility is designed as a purpose-built, state-of-the-art manufacturing hub dedicated exclusively to small-molecule pharmaceutical drug product production, including active pharmaceutical ingredient (API) processing, tableting, finishing, and packaging operations. By intentionally excluding biologics or cell-based production, the facility will specialize in scalable, high-efficiency oral solid dose manufacturing, ensuring focus, operational excellence, and rapid regulatory readiness. The facility layout, equipment strategy, and production flows are engineered to meet FDA manufacturing standards, positioning BeOne to secure prompt FDA approval and achieve full operational readiness within three years.

Workforce roles will span a comprehensive range of critical operational and technical functions, including:

- Manufacturing technicians specializing in end-to-end drug product processing
- Quality control analysts ensuring compliance with stringent U.S. regulatory standards
- Production supervisors and manufacturing scientists overseeing technical operations
- Warehousing and materials personnel supporting Good Manufacturing Practices (GMP) standards and distribution pipelines
- Production management teams responsible for safety, efficiency, and organizational performance

This workforce profile aligns with BeOne's commitment to building robust U.S.-based manufacturing capacity, strengthening supply chain resilience, and expanding the company's domestic footprint in a way that enhances long-term strategic flexibility.

The proposed new facility also represents a significant capital investment that exceeds the Program's minimum thresholds, demonstrating BeOne's commitment to New Jersey as a long-term operational anchor within its global manufacturing network. The project stands to reinforce BeOne's leadership in oncology therapeutics by ensuring reliable, U.S.-controlled manufacturing of small-molecule assets that support both current commercial products and the company's expanding portfolio of late-stage and breakthrough therapies.

Collectively, the project includes the expansion of manufacturing operations, the development of workforce capacity, and investments supporting pharmaceutical innovation within the United States. It will further enable BeOne to enhance supply chain security, accelerate commercialization pathways, and drive sustainable economic impact for the state and region.

ELIGIBILITY:

JOBS:

The Program requires the creation of at least 20 new full-time jobs at the Qualified Business Facility, with each incented position paying no less than 120% of the manufacturing median salary for the county in which the project's Qualified Business Facility is located, and with at least 80% of each employee's work time spent at the Qualified Business Facility.

In alignment with these requirements, the project will create 120 new full-time positions at the Qualified Business Facility, expanding the workforce beyond the 117 employees currently employed at the Pennington, New Jersey site. These positions are inherently tied to the Qualified Business Facility (QBF), requiring employees to perform core manufacturing, quality, engineering, laboratory, warehouse, and operational functions on-site. Because these responsibilities are integral to the operation of the QBF, employees in these roles will perform at least 80% of their work hours at the facility.

BeOne's statewide workforce baseline is 117 employees. Accordingly, the 120 full-time positions at the Qualified Business Facility will qualify as new full-time jobs only if they are in addition to the company's statewide workforce baseline, meaning the statewide employee count must be maintained or restored before those positions can be counted toward the Program.

To determine the minimum salary thresholds, we used the manufacturing median salary for Mercer County, which is $59,840.00. Applying the 120% requirement to this figure results in a minimum qualifying median salary of no less than $71,808.00.

QBF Address	# of New Jobs at the QBF	Mercer County Median Manufacturing Salary	120% of Mercer County Manufacturing Median Salary	Projected BeOne Median Salary
311 Pennington Rocky Hill Rd. Small Molecule Drug Product (SM DP) Building Pennington, NJ 08534	120	$59,840.00	$71,808.00	$81,077.50

CAPITAL INVESTMENT:

The proposed project at 311 Pennington Rocky Hill Rd., Small Molecule Drug Product (SM DP) Building, Pennington, NJ 08534 represents a total eligible capital investment of $283,166,000.00, which exceeds the minimum required investment of $10 million. BeOne will construct a new small molecule drug product manufacturing facility, anticipated to be 144,660 square feet at that address.

The physical scope of the project includes new construction, site-related utilities, furnishings and equipment, and various soft costs, as outlined below.

The project is entirely new construction, with the Qualified Business Facility comprised solely of the newly built manufacturing building. The line item identified as "Hard Construction Costs for Renovations, Repairs, or Improvements" refers to supporting work needed to accommodate the new facility. This includes general site preparation activities, temporary construction infrastructure, utility connections, as well as modifications or expansions to existing utility systems that serve the new building.

These costs do not represent renovations to existing buildings that would expand the boundaries of the Qualified Business Facility. Rather, they are ancillary improvements necessary for the construction and operation of the new facility. While certain utility improvements may involve expanding the existing campus infrastructure, these enhancements are undertaken solely to serve the new manufacturing building, and existing facilities are not expected to receive any material operational benefit.

BeOne has confirmed that all site preparation, utility improvements, and related hard construction costs are exclusively intended to support the construction and operation of the new manufacturing building. These costs encompass temporary fencing, construction trailers, landscaping and site preparation, and utility upgrades required for the expanded footprint. Utility-related investments include new equipment or expansion of existing HVAC, water, and electrical systems necessary to support the new facility.

Although certain utility work interfaces with existing campus infrastructure, the purpose of these improvements is to provide sufficient service capacity for the new building. Existing facilities are not expected to be materially impacted or to benefit independently from these investments.

Capital Investment	Dollar Amount
Hard Construction Costs for New Construction -Site Preparation and Construction	$134,498,000.00
Hard Construction Costs for Renovations, Repairs, or Improvements	$8,190,000.00
Site Related Utilities	$14,482,000.00
Furnishings and Equipment	$76,856,000.00
Total Hard Costs	$234,026,000.00
Total Eligible Soft Costs	$49,140,000.00
Total Eligible Project Costs	**$283,166,000.00**

QUALIFIED BUSINESS FACILITY:
BeOne proposes to develop a new, purpose built, 144,660 square foot small-molecule pharmaceutical manufacturing facility that will expand and integrate with the existing manufacturing and R&D infrastructure at the company’s Hopewell Campus in Pennington, NJ. Designed to support end-to-end oral solid dose production, the three-story structure is engineered to meet modern FDA and GMP requirements from inception, leveraging the campus’s established

utilities, logistics systems, and quality-focused operational framework to enable rapid and compliant commercial readiness.

The facility's core production areas, totaling 48,220 square feet, will initially support one manufacturing line with the ability to expand to two. This scalable configuration builds on the current campus's (located at 311 Pennington Rocky Hill Rd, Small Molecule Drug Product (SM DP) Building, Pennington, NJ 08534) modular design and central utility infrastructure, enabling future production growth with minimal additional facility modifications. The majority of the building's functional space will be dedicated to manufacturing and directly related GMP activities.

The design supports all major unit operations required for tablet manufacturing, including blending, granulation, fluid-bed drying, tableting, coating, and packaging. Initial throughput is projected at 75 million tablets annually, with the potential to scale to 225 million tablets as demand increases. These operations complement the biologics-focused capabilities already present on campus, creating a multimodality manufacturing environment that strengthens supply chain resilience and broadens the company's domestic production footprint.

The remaining 96,440 square feet will house mechanical systems, laboratory environments, administrative functions, warehousing, and designated areas for future expansion. These spaces directly support the manufacturing workflow by enabling in-process and release testing, GMP-compliant material flow, and day-to-day operational continuity.

Overall, the new facility has been planned to connect seamlessly with the Pennington site layout, optimizing manufacturing efficiency, regulatory readiness, and long-term adaptability across the broader campus. Through its production-focused floor plan, integrated support infrastructure, and alignment with campus-wide manufacturing systems, the project satisfies the Program's requirement that the Qualified Business Facility be primarily engaged (more than 50 percent) in Manufacturing or certain Manufacturing-related activities.

COLLABORATION:

In accordance with the rules and legislation governing the Next NJ Manufacturing Program, an applicant business must demonstrate the existence of a collaborative relationship between an eligible business and a New Jersey-based (1) public or private university or college; (2) public or private high school; (3) workforce development organization; (4) vocational or technical school or institution; (5) labor organization, business or employer association, or nonprofit organization that provides workforce training, apprenticeship, and career development services; (6) entities or consortia made up of (1) through (5) that develop and deliver workforce training programs; or (7) any combination thereof.

The collaborative relationship must be evidenced by the provision of opportunities for workforce hiring, training, or apprenticeship; research and development; demonstration project; curriculum development or educational activity; or other measures determined appropriate by the Authority.

To meet the collaboration requirement at the time of application, applicants must submit a fully executed Letter of Intent (LOI) evidencing a proposed collaborative relationship. The LOI serves as an official attestation by an applicant that it will enter into good faith negotiations on a collaborative relationship contract that will fulfill and satisfy the collaboration requirement for the Next NJ Manufacturing Program.

BeOne and Raritan Valley Community College (RVCC) will establish a new formal collaboration for a term no less than the program's ten-year commitment period. This collaboration is designed to strengthen New Jersey's biomanufacturing workforce pipeline, supporting the goals of the Next NJ Manufacturing Program. The provided Letter of Intent brings together BeOne's industry expertise and RVCC's state-of-the-art Workforce Training Center to create a consistent, production-ready talent stream aligned with current and emerging GMP manufacturing needs.

The partnership is structured to develop and deliver integrated, industry-aligned training that directly addresses the region's demand for skilled GMP manufacturing personnel. This includes a strong emphasis on cleanroom operations, aseptic processing, and bioprocessing competencies.

Under the agreement, BeOne and RVCC will jointly:
- Co-develop and implement training programs covering GMP, aseptic processing, and upstream/downstream bioprocessing.
- Integrate hands-on cleanroom and laboratory training using RVCC's ISO-classified facilities.
- Align curricula with evolving regulatory and industry standards.
- Establish structured work-based learning opportunities, including internships, apprenticeships, and job-shadowing.
- Participate in program advisory and continuous improvement processes to ensure responsiveness to workforce needs.

BeOne will provide subject-matter expertise, define critical workforce needs, participate in advisory activities, and offer work-based learning and employment consideration for program graduates.

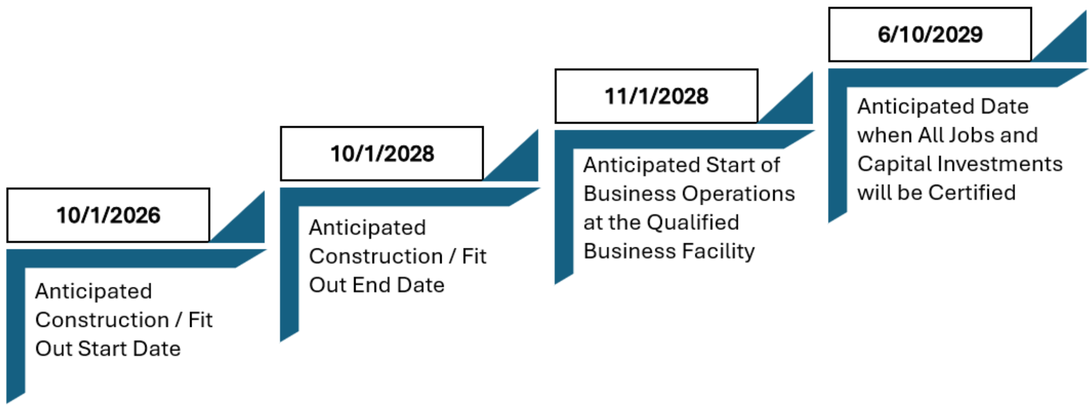
RVCC will deliver high-quality biomanufacturing training, maintain regulatory-aligned instruction, provide biotechnology laboratories and ISO cleanrooms, manage participant recruitment and support, and track training and employment outcomes.

The collaboration supports a full-talent-development continuum:
- Pre-employment training for new entrants to GMP manufacturing
- Upskilling/reskilling pathways for incumbent workers
- Stackable credentials, including GMP and aseptic processing certifications
- Simulated and real-world production exposure to build job-ready competencies

Training will occur within RVCC's Workforce Training Center, featuring a biotechnology laboratory, ISO-class cleanroom, and industry-relevant equipment that mirror pharmaceutical manufacturing environments. These facilities provide learners with the technical and environmental familiarity required for rapid onboarding into GMP roles.

This collaboration advances New Jersey's economic and workforce development objectives by strengthening the state's manufacturing talent pipeline and supporting growth in life sciences and advanced manufacturing. It also reinforces regional initiatives such as NJBioFutures, expanding connectivity between industry and education partners.

CONSTRUCUTION TIMELINE:
Construction is anticipated to begin on October 1, 2026. The Program allows applicants to start construction after the submission of the completed application and any eligible capital investment expenses incurred during this time would be eligible as capital investment under the Program.



AWARD SUMMARY:
Pursuant to the Program's award calculation (as shown in the table below), BeOne qualifies for a tax credit of $6,795,984.00 per year, to be issued annually over the first five years (eligibility period) of a ten-year commitment period. This represents a total tax credit award of $33,979,920.00.00 under the Next New Jersey Manufacturing Program.

Tax credits shall be issued only upon submission by the eligible business of all required certifications evidencing completion of the capital investment, satisfaction of employment requirements, and compliance with all other Program eligibility criteria. Such certifications shall be submitted no later than three (3) years from the date of application approval. The Authority, in its sole discretion, may grant up to two (2) extensions of six (6) months each.

BONUSES:
The Next NJ Manufacturing Program offers 1% stackable bonuses; with a max bonus of 5%, calculated off the annual award, and a max total award of $150,000,000.00 (including bonuses) if an applicant satisfies one or more of the following:

- Located in an Opportunity Zone Eligible Census Tract
- Having any of the New Jersey Business Certifications as part of the Business Certification Program administered by the Division of Revenue and Enterprise Services (1% for each):
- At least one active Collective Bargaining Agreement or Labor Harmony Agreement is in place for some or all of the employees at the QBF.

BeOne did not apply for any of the stackable bonuses.

Based on the above criteria, the calculation of the tax credit award is illustrated as below:

Number of New Full-Time Jobs:		120
Capital Investment:		$283,166,000.00
Bonuses:		0%
An eligible manufacturer will receive a tax credit based on the lowest of the following three calculated amounts:		
Option 1:	**Award Calculation:** Multiply 0.1% by the capital investment, then multiply that result by the total number of jobs.	$33,979,920.00
Option 2:	**Program Award Percentage Cap:** Max of 25% of your total capital investment.	$70,207,800.00
Option 3:	**Program Award Cap:** Max award amount of $150 million.	$150,000,000.00
Final Award		**$33,979,920.00**

OTHER STATUTORY CRITERIA:

PREVAILING WAGE/AFFIRMATIVE ACTION:

All projects receiving support under the Program must pay prevailing wages to construction and building service workers at the qualified business facility in connection with the tax credit award during the commitment period. The applicant has acknowledged this requirement as a condition of participation in the Program. Thus, prevailing wage applies during construction and, because the Qualified Business Facility must be maintained as a requirement of the award, to all construction and building services work during the commitment period. Contractors and subcontractors performing construction work on projects requiring payment of prevailing wage must provide proof of registration under the Public Works Contractor Registration Act. The Authority's affirmative action requirements also apply to construction contracts at the Qualified Business Facility and through the two years after the Authority has issued the first certificate of compliance. Affirmative Action and Prevailing Wage requirements apply to all construction work performed after the submission of a complete application but before Board approval if such work included as an eligible capital investment under the Program.

SUBSTANTIAL GOOD STANDING/SUBCONTRACTOR AND CONTRACTOR REQUIREMENTS:

For the duration of the Eligibility Period, the applicant must be in substantial good standing (or have entered into an agreement) with the Department of Labor and Workforce Development, Environmental Protection, and the Treasury for any project awarded Next NJ Manufacturing Program tax credits and the applicant must certify that each contractor and subcontractor performing work at the Redevelopment Project: is registered as required by the Public Works Contractor Registration Act, has not been debarred, suspended, or disqualified by the Department of Labor and Workforce Development from engaging in or bidding on Public Works Contracts in the State, and possesses a valid tax clearance certificate issued by the Division of Taxation in the Department of the Treasury.

GREEN BUILDING STANDARDS:
BeOne has acknowledged and certified that they will meet the minimum environmental and sustainability standards established by the Authority in accordance with the green building manual prepared by the Commissioner of Community Affairs pursuant to N.J.S.A. 52:27D-130.6, regarding the use of renewable energy, energy-efficient technology, and non-renewable resources to reduce environmental degradation and encourage long-term cost reduction.

CONDITIONS OF APPROVAL
Staff recommend that the award include the following conditions of approval:

1. Absent extenuating circumstances and the written approval of the Authority, the applicant shall submit certifications evidencing that they have satisfied the conditions relating to the capital investment, employment requirements, and other eligibility requirements within three years following the date of approval of the application. The Authority may grant two six-month extensions of the deadline. However, the date of certification shall not occur later than four years following the date of approval of the application.
2. The applicant shall not be awarded a Program tax credit and shall not receive a certificate of compliance if the applicant received or receives a tax credit or other incentive award relating to the same capital investment and employees that qualify the applicant for a Program tax credit, including, but not limited to, those pursuant to the Emerge Program.
3. Absent extenuating circumstances or the Authority's determination, in its sole discretion, within 12 months following Board approval, the applicant will submit, among other requirements that may be specified in the approval letter, documentation evidencing: a collaborative relationship; project financing including executed financing commitments, site control, site plan approval, and all required permits and planning and zoning approvals.
4. The applicant will be required to submit an annual report for the duration of the ten-year commitment period.

The Members of the Authority are asked to:

1. Approve the proposed Next New Jersey Manufacturing Program tax credit award, for $6,795,984.00 per year over five years, for a total of $33,979,920.00, to BeOne Medicines US Manufacturing Co., Inc. The recommended tax credit award is subject to conditions subsequent to receiving and maintaining the award, including submission of certifications and evidence that the company has met the eligibility criteria. Through delegated authority, staff is authorized to lower the award amount, to reflect the award amount that corresponds to the actual employment and capital investment in the project completion certification provided that neither the application information nor the project has materially changed.

Evan Weiss, CEO

Senior Product Officer: Gene Palermo
Manager: Ivan Mendez
Managing Director: Mathew Abraham

To: Members of the Authority

From: Evan Weiss
Chief Executive Officer

Date: July 22, 2026

RE: CAFE Program- Product # 00320727
Westfield Arts Collective Inc. ("Applicant")
Center for Creativity at the Rialto (alternate name of the Applicant)
Center for Creativity @The Rialto Project

Request

The Members are requested to approve a tax credit award of 100% of the eligible project cost ("Eligible Costs"), not to exceed $43,381,250 under the Cultural Arts Facilities Expansion (CAFE) Program for the Westfield Arts Collective Inc. cultural arts facilities project (Project) located in Westfield, Union County.

The recommended tax credit award is subject to conditions subsequent to receiving and maintaining the award, including submission of certifications and evidence that the Applicant has met, and will continue to meet, the eligibility criteria. Per Program rules, staff is authorized to reduce the award amount to match the actual certified eligible project costs, as certified by a Certified Public Accountant, at the conclusion of the Project.

CAFE Program Background

The Cultural Arts Incentive Program, also known as the Cultural Arts Facilities Expansion (CAFE) program, became effective on December 21, 2023, pursuant to P.L. 2023, c. 197. In creating this program, the Governor and legislature provided that the Authority shall administer the program to utilize cultural arts institutions to catalyze economic growth through the provision of incentive awards to reimburse developers for certain project financing gap costs. CAFE Program Rules ("Rules") were specially adopted by the Authority Board on January 23, 2025, and took effect on February 10, 2025. The final rules were adopted on June 18, 2025. In addition, legislative amendments to the Act (P.L. 2025, c.127 or "Chapter 127") became effective on August 15, 2025. This application is being considered based upon the Act (as most recently amended) and Rules.

The Program provides tax credits for five years during the operating period after construction is completed (the "Eligibility Period"). The amount of tax credits a "cultural arts project" receives, as stipulated in the statute, is 100% percent of the project's eligible project costs and is subject to a statutory cap of $75 million.

The CAFE program was established by statute initially as a competitive program, under which projects must apply within a defined application window, with all applications to be considered following the closure of the application period. The first round for CAFE applications opened on April 7, 2025, and closed on June 13, 2025. The second round for CAFE applications opened on July 10, 2025, and closed on August 11, 2025. The Authority established scoring criteria for the evaluation of proposed CAFE projects. To receive a tax credit award, a cultural arts institution's application must receive a minimum score of 40 out of 100 maximum total score. Under the competitive paradigm, if in any given round the Program is oversubscribed, then applications will be ranked based on score, and awards will be based on ranking. However, Chapter 127 allows the CAFE program to transition from a competitive to a rolling basis, which can be done by ensuring that sufficient tax credits are available for all eligible applicants. Operating on a rolling basis offers several advantages, such as enabling applications to be brought before the Board for decisions as they become ready, rather than waiting for all applications to be decisioned simultaneously. This transition is feasible because the Authority has reserved the necessary amount from the potential $500 million reallocation from Aspire and Emerge allowed by Chapter 127.

Project Information

Applicant (also the Lead Development Entity): Westfield Arts Collective Inc. (501(c)3 nonprofit organization)
Applicant Doing Business As (DBA): Center for Creativity at the Rialto
Project Name: Center for Creativity @ The Rialto
Project Location: 250 East Broad Street, Westfield, Union County, New Jersey (Block 3107, Lots 1 and 2)

Project Description:
The Project encompasses a 1920s-era historic theater with a total area of 27,828 sf, including 24,642 sf of gut renovation and 3,186 sf of new construction in the following areas:

- First Floor-total 12,435 sf of renovation which includes flexible performing arts and event space with a capacity of up to 250 seated or 450 standing, ticketing and lobby area, catering kitchen (193 sf) cafe (969 sf) with seating capacity for 48, 2 dressing rooms, and gallery space.
- Second Floor- total 9061 sf of renovation which includes four multi-use classrooms ranging in size from 473 to 802 sf, for education, workshops, and rehearsal space, gallery,

admin space (444 sf) and conference room (287sf).

- Basement-total of 3,146 sf of renovation and 3,186 sf of new construction which includes storage, boiler, and mechanical systems to support the activities of the building.
- Geothermal Wellfield and Infrastructure upgrades. Geothermal wellfield to be installed in existing municipal parking lot adjacent to the theater for the exclusive use and for the primary method of heating and cooling the renovated theater. An elevator will be installed to connect all building floors. Mechanical systems will be upgraded including ductwork, electrical services, plumbing and fire pump system.

Purpose and Impact:
The historic Rialto Theatre, a cornerstone of Westfield's cultural landscape since 1922, will be transformed from a shuttered six-screen movie theater into a multi-disciplinary performing arts center and community cultural hub. Westfield has long been home to many artists: Paul Robeson attended integrated schools here for the first time, Langston Hughes completed his first novel here in 1930, and the town raised iconic artist Charles Addams and Marvel Entertainment's Executive Producer Kevin Feige. This project will renovate the historic theater to create a regional destination for arts programming including performances, exhibitions, film screenings, workshops, classes, and community gatherings. The reimagined theater will feature a primary event venue with flexible multipurpose spaces where makers, artists, actors, and musicians of all ages and experience levels can connect, create, learn, and build community. Comprehensive renovations throughout the building will reorganize existing program spaces, add administrative offices, and deliver critical improvements to patron comfort and circulation, safety and accessibility, performance infrastructure, revenue-generating capacity, and storage facilities. This transformation preserves an iconic 100-year-old anchor institution.

The Center for Creativity @The Rialto project aligns with the Applicant’s mission (as stated on the federal tax return) to “provide an inclusive and collaborative community space to inspire and showcase the visual and performing arts, through creation exhibition, and education.”

The Westfield Planning and Zoning Office have reviewed the preliminary plans and determined that the proposed project is a permitted use as of May 28, 2025. This Office noted “as the property is governed by the Scattered Sites Plan, the proposed elevator (s) and canopy would require site plan review, and an agreement with the Town will be necessary to move the project forward.” This will be a condition of board approval for this CAFE project.

At the time of application, Mayor Brindle provided a letter of support for the project indicating, “The project aligns directly with the goals and objectives outlined in Westfield’s 2019 Master Plan Reexamination Report and the 2021 Downtown Westfield Strategic Plan-both of which emphasize the importance of mixed-use vitality, cultural activation, and economic diversification in our central business district. The transformation of the Rialto will support these objectives by increasing foot traffic, fostering small business growth, and enhancing Westfield’s cultural tourism appeal.”

The project seeks to restore a 100-year cultural anchor in Union County by transforming the historic Rialto Theatre into a flexible, multi-use arts facility. Located within walking distance of the Westfield NJ Transit station, the renovated venue is intended to provide Westfield's largest public event space (450-person capacity), supplemented by galleries, cultural arts classrooms, and studios. This investment is designed to preserve an iconic structure while strengthening the surrounding downtown through increased activity and connectivity to nearby public spaces.

The $50 million redevelopment is projected to generate substantial regional benefits, creating a catalyst for year-round economic activity. Upon commencement of operations, the Center is expected to support new full-time, part-time, and support positions and contribute more than $1 million annually in audience-driven spending.

The project is positioned to serve as Westfield's primary cultural hub and will offer diverse programming across the visual and performing arts. Its operating model includes sliding-scale rental fees (charging less for non-profits), scholarships, and discounted ticketing to support broad community access. Additional plans include youth programming and partnerships with organizations serving individuals with cognitive and mobility challenges. The project also intends to advance community engagement through collaborations with local civic, and cultural arts educational partners.

The project aligns with CAFE program priorities and statewide strategies to leverage the arts for economic growth, revitalization, and equitable access. Its transit-oriented location is anticipated to broaden regional reach. The Applicant has reported that they have coordinated with municipal partners across Union County (including Elizabeth, Plainfield and Cranford) to get their input on this project. By converting a historic institution into a modern, accessible arts destination, the project seeks to preserve cultural assets, attract visitors, and generate long-term community and economic benefits.

Project Ownership:
A key threshold requirement for CAFE eligibility is that the Applicant must have ownership of or lease the cultural arts institution facility for the duration of the Eligibility Period.

The Applicant has satisfied this requirement by providing:

- Deed documenting that they own Block 3107, Lot 1) (Theatre)
- Co-signed Letter of support from Mayor Berman for Block 3107, Lot 2 (Geothermal Wellfield) for installation, operation, and maintenance of the geothermal system with the condition that Town Council will have to approve and execute an easement agreement with terms and conditions for installation and use.

The Applicant will serve as their own lead development entity and has engaged key team members with a proven track record in developing projects in similar or greater size and scope. The

Westfield Arts Collective Inc. has an Executive Director and is supported by professional partners in architecture, legal, financial, fundraising, and arts business planning as well as a 16-member board of trustees who are involved in fundraising, financial management, nonprofit administration, community engagement, and programming. This experience will be valuable for managing project timelines, construction phases, and external funding. In addition, the Applicant has engaged Mills + Schnoering Architects, LLC since 2023, who has experience managing long-term design and development of multiple cultural arts projects such as the Count Basie Theatre of Red Bank, State Theatre of NJ, and Hamilton Stage and Rahway Amphitheatre. In addition, the Applicant is in the final stages of selecting a construction manager/general contractor firm with significant experience in arts, culture, and theater projects.

Legal Review and Sister Agency Check:

A Legal Review (debarment/disqualification review) was completed on the Applicant (which is also the Lead Development Entity) by the Authority, and Applicant was cleared. Applicant was also found to be in substantial good standing with the Department of Labor and Workforce Development, Environmental Protection, and the Treasury.

Construction Timeline:

Construction is expected to commence in the first quarter of 2027, approximately 6-7 months after Board approval and will take 17 to 22 months to complete.

Project Details

Scoring:

The CAFE application submitted for the Project was reviewed and scored based on the Program's pre-established scoring criteria. The criteria focus on the following main themes:

1) The amount of tax credit requested compared to the amount of tax credits required for the completion of the cultural arts project, i.e. if the project is leveraging other sources of funding, they will score higher
2) How the cultural project will advance state, regional, and local goals of cultural arts facilities in underserved communities
3) The impact of the cultural arts project and its relation to local development strategy
4) The economic development impact of the cultural arts project, and job creation
5) Whether the project is located in an area with high economic and social distress
6) New full time jobs, as determined by the expansion or increase in activities at the project
7) Approach and plan for affordable offerings to the general public
8) Diversity of the Board that is representative of the community

The Applicant is required to achieve a minimum score of 40 out of 100 to be eligible for a CAFE award.

The application was reviewed and scored by a committee comprised of a multidisciplinary team of NJEDA staff with experience in the fields of real estate development projects and project management. The non-discretionary criteria (e.g., criteria based on site location) was scored by the CAFE team, the Economics and Data Analytics team provided half of the score for Criterion 4 listed above using the IMPLAN model, the Diversity Equity and Inclusion team provided the score for Criterion 8, and the remainder of the application was scored by the three (3) members of the committee. Once individual score sheets from all selection committee members were received, the scores were averaged. The Applicant received a score of 71 out of a possible 100, therefore surpassing the required minimum score of 40.

Credit and Finance Review

Based on the financial review, Staff concludes that the Applicant has adequate and bona fide sources of funding to cover all project costs and there is a reasonable expectation these sources of funding will be available to complete the Project. The Applicant has also illustrated the wherewithal to meet the Program's minimum 20% equity contribution requirement (which as defined by Program rules may include a fundraising based on a plan, Federal, State, and/or local grants and expected proceeds from the sale of Federal or local tax credits, including the Federal Historic Tax Credit and Low-Income Housing Credit, as well as certain property value and project feasibility costs) and has demonstrated a project financing gap. Additionally, the Applicant has provided documentation showing proposed terms for the sale of CAFE credits at a price of 100 cents on the dollar, which exceeds the Program minimum of no less than 85 percent of the transferred credit amount before considering any further discounting to present value for the sale or transfer of CAFE credits.

The review confirmed that capital investment for the proposed Project will be greater than the Program's minimum requirement of $5,000,000. Finally, based on that review, Staff has a reasonable expectation the lead development entity, Westfield Arts Collective Inc., will continue to be a viable entity throughout the project construction timeline.

In 2024, the Authority awarded the Applicant a $25,000 Small Business Improvement Grant (SBIG), which has been closed out and remains in compliance. Staff has determined that the SBIG scope of work is separate from the proposed CAFE project and does not constitute commencement of construction for purposes of the Program's prior construction prohibition.

Project Uses and Sources

The Applicant proposes the following uses for the Project:

Uses	Total Project Costs	Project Costs (Before Soft Cost Cap)	Project Costs (After Deducting Excess Soft Costs
Acquisition	$6,100,000	$0	$0
Hard construction costs	$34,705,000	$34,705,000	$34,705,000
Financing, Professional Services and other soft costs	$10,095,000	$8,766,200	$8,676,250
TOTAL	**$** 50,900,000	**$43,471,200**	**$43,381,250**

The eligible project cost is the cost included in total project costs that is used for sizing the tax credit. Total eligible project costs exclude costs incurred prior to application, land acquisition costs and certain soft costs, such as NJEDA fees. As defined by the program rules, with the exception of soft costs incurred within 12 months prior to application, work conducted prior to application is not considered an eligible project cost. The CAFE program limits eligible soft costs to 20% of the total eligible project costs, equivalent to $8,676,250. The Applicant included $8,766,200 in eligible soft costs which would otherwise be eligible, however this exceeds the program's allowable cap by $89,950. Therefore, the eligible Project Costs, and thus the recommended award size shall be reduced to 43,381,250. Additionally, the project costs were evaluated by Sterling Project Development (SPD). SPD's overall assessment is that the Applicant's proposed budget of approximately $51 million is reasonable in total but warrants adjustments at the line-item level. SPD notes "All cost estimates are based on schematic-level drawings and predate the engagement of a general contractor or commencement of procurement activities; figures are therefore likely to evolve as design and procurement progress. As an adaptive reuse project, the Rialto renovation is likely to surface significant additional scope during design development—particularly given the extent of existing conditions work. While contingency is included, staying within budget will require disciplined owner decision-making, especially in later design stages when stakeholder involvement in aesthetic and experiential decisions tends to increase." The SPD review found that the developer fee has no basis in a non-profit context, duplicative markups for Overhead and Profit and GC fee should be reconciled, and tariff contingency should be removed. Also, the general conditions contingency seems high and warrants justification or reduction.

Subsequent to SPD's review, the Applicant addressed these concerns removing the developer fee, tariffs, and duplicative markups. The Applicant also justified the contingency noting that the higher general contingency is due to complex site conditions including an extremely small site, proximity to neighboring buildings, scope of work, tight schedule, and downtown location.

In light of SPD's review and the Applicant's responsive commitments, Staff finds that there is a reasonable expectation that the project is financially viable, noting that success will depend on the Applicant maintaining cost discipline throughout project development.

The Applicant proposes the following Sources for the Project:

Sources of Financing	Amount
Senior Loan	$40,720,000
Capital Campaign per Fundraising Plan	$7,080,000
Developer Contributed Property	$3,100,000
Total	**$50,900,000**

The Project will be funded primarily through a Senior Loan from by M&T Bank. The Applicant will fundraise for $7,080,000. In addition, the Applicant contributed equity includes $3.1 M from the appraised property value less the remaining mortgage balance.

Applicant Contributed Equity

Based on the equity requirement of 20% of total project cost for a project, the required applicant - contributed equity in this Project equates to $10,180,000. The equity for this CAFE Project is comprised of $7,080,000 of fundraising and $3,100,000 from the Applicant's property value.

Financing Gap Analysis

The statute requires that to be eligible for the CAFE tax credit, the Authority must determine that at time of application, the cultural arts project will generate a below market rate of return. The statute further specifies that the Authority shall determine whether a project financing gap exists. As such, the Authority reviewed the application to determine if there is a financing gap pertaining to the return on the investment for the cultural arts institution and ability to attract the required investment. HR&A Advisors analyzed the pro forma and projections and compared the returns with and without the CAFE award.

HR&A Advisors concluded that the "IRR analysis confirms the CAFE award does not over-enrich the project..." Staff additionally concludes this Project meets the statutory requirement of generating a below market rate of return and that a project financing gap exists.

Accordingly, the proposed tax credit award does not "over-enrich" the returns of this Project. Based on the above analysis, the recommended award amount is 100% of the eligible project costs, capped at $43,381,250.

Recommended Award Amount (100% of Maximum Eligible Project Costs)	$43,381,250

CAFE Tax Credit Sale Price:

The sale or assignment of the CAFE tax credits can be no less than 85 percent of the transferred credit amount before considering any further discounting to present value. The Applicant has provided documentation to the Authority that the consideration contemplated in the current financing structure is 100 percent of the transferred credit amount before considering any further discounting to present value. Currently it is anticipated that the tax credits will be sold as they become available, with the proceeds to repay project financing. The ultimate financing structure and any changes in the future will be subject to this requirement and the Applicant will need to evidence this prior to any assignment or transfer of CAFE tax credits.

<u>**Other Statutory Criteria**</u>

Cultural Arts Institution Facility
To qualify for the CAFE program, the Applicant must satisfy the definition of a "cultural arts institution", and the facility must satisfy the definition of a "cultural arts institution facility."

These are defined in the Program rules as follows:

Cultural arts institution means,
"1. One of the following:
i. A governmental entity;
ii. A nonprofit entity; or
iii. A governmental economic or community development entity, which is incorporated pursuant to Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes, operating on a not-for-profit basis; and
2. That has the primary mission and specific policy goal of cultural, arts and cultural education, or artistic enrichment of the people of this State.
A for-profit business seeking a tax credit for a cultural arts institution facility open to the public; provided that the cultural arts institution facility is receiving a Federal historic rehabilitation tax credit pursuant to the Federal Internal Revenue Code of 1986, 26 U.S.C. § 47, or a tax credit pursuant to the Historic Property Reinvestment Act, N.J.S.A. 34:1B-270 through 276."

Cultural arts institution facility means *"an existing or proposed facility within this State, operated and maintained by a cultural arts institution for cultural arts and that is open to the public. A cultural arts institution facility includes, without limitation, an aquarium, botanical society, historical society, library, museum, gallery, performing arts center, arts-based community centers, or any related facility that is principally for the support and benefit of any of the foregoing. The term cultural arts institution facility shall not include facilities predominantly used for athletics, recreation, and non-arts-based community centers."*

The Center for Creativity @The Rialto Project includes renovation and adaptive reuse of the historic Rialto Theatre into a performing arts center with multipurpose arts spaces. Renovations and improvements (total area of 27,828 sf) to the Rialto Theatre include a main event and performance space, new main entrance and lobby, cafe space, visual arts studios, assembly spaces for art activities, infrastructure upgrades, and exterior and roofing enhancements. The Applicant has indicated that they will operate the spaces, including the cafe space. All proposed uses are cultural arts related except for the cafe space and catering kitchen (1,162 sf). The interior facility space except for the cafe space and catering kitchen directly supports cultural arts uses, confirming that the Project satisfies the requirement that more than 50% of the facility to be dedicated to cultural arts. As the Project is a performing arts center and arts-based community center, with more than 50% of the space (square footage) intended for cultural arts use, the facility meets the definition of a cultural arts institution facility. Applicant is a 501(c)3 nonprofit organization that has the mission of, or experience in, cultural, educational, or artistic enrichment of the people of this State.

Site Control and "Open to the Public"

The Applicant has certified that the cultural arts institution facility will satisfy the program definition of "Open to the Public" throughout the five year eligibility period.

This Project is categorized under the classification of a cultural arts facility as a performing arts center and pursuant to the Program rules, the facility shall be accessible and open to the public on average at least 20 hours per week during the eligibility period. As stated in the Rules, the Authority may determine a different standard of "open to the public" due to unavoidable closures or other circumstances approved by the Authority.

The cultural arts institution is also required to have ownership or lease for the CAFE project and is required to operate the facility throughout the Eligibility Period. At time of application, the Cultural Arts Institution must demonstrate a path to site control and must demonstrate evidence of site control as a condition of approval. The Applicant has demonstrated site control via a property deed for the Project site and a pathway to site access by a letter from the Mayor for access to install a geothermal wellfield in the adjacent municipal parking lot (Lot 2) which must also be evidenced through an easement agreement between the applicant and town council within one year of board approval .

Work First New Jersey

The initial Act and Rules required that the cultural arts institution partner with one or more community organizations that provide support and services to Work First New Jersey program recipients. However, Chapter 127 allows for the applicant to directly provide services and support to Work First NJ program recipients during the eligibility period without the requirement to partner with a community organization. Because the application was launched and closed under the prior Act and Rules, the applicant may choose to proceed under the Act and Rules applicable at the time of the application round or Chapter 127. The Applicant has elected to proceed under the new standard. That election notwithstanding, the Applicant had previously provided documentation of a proposed partnership with "United Way of Greater Union County", and independent of their election to proceed under the new standard, the Applicant has indicated they also plan to continue with their proposed United Way partnership. As described in the letter of intent, the proposed partnership includes "(1) workshops in facilities management, nonprofit management, arts & culture careers; (2) skills-based training, gained by assisting with community events and (3) setup for programs, development of youth-centric programming".

Prior Construction
The CAFE program also includes an eligibility requirement that construction has not commenced at the project site, unless the project would not be completed without an award of tax credits under the program, with specific criteria provided in the program rules and the Policy Update for CAFE memorandum which was approved by the Board on May 14, 2025. The Applicant has certified that construction on the Project had not commenced prior to submitting their CAFE application.

Prevailing Wage Obligations
For any project awarded CAFE tax credits all workers employed to perform construction work or building services work at the CAFE Project (or work done in connection with, as a condition of, or to prepare the facility for the CAFE Project) shall be paid prevailing wages, which continue through the end of the Eligibility Period. The Applicant has acknowledged this requirement and that in any year where this is found not to be the case, the Applicant shall forfeit the tax credit for that year.

Substantial Good Standing/Subcontractor and Contractor Requirements
For the duration of the Eligibility Period, the Cultural Arts Institution must be in substantial good standing (or have entered into an agreement) with the Department of Labor and Workforce Development, Environmental Protection, and the Treasury for any project awarded CAFE tax credits and that each contractor and subcontractor performing work at the CAFE Project: is registered as required by the Public Works Contractor Registration Act, has not been debarred, suspended, or disqualified by the Department of Labor and Workforce Development from engaging in or bidding on Public Works Contracts in the State, and possesses a tax clearance certificate issued by the Division of Taxation in the Department of the Treasury.

Availability of CAFE Resources
At the time of this recommendation, there are $1,122,151,143 in uncommitted tax credit resources available to CAFE projects.

Funds	Amount	Amount Remaining
Initial Allocation	$1,200,000,000	$1,200,000,000
Additional Maximum Reserved from Aspire / Emerge Fund (11/12/2025 Board Memo)	$137,247,803	$1,337,247,803
Previous Round 1 Awards	$215,096,660	$1,122,151,143
Previous Round 2 Awards	$0	$1,122,151,143
Recommended Award in this Memo	$43,381,250	$1,078,769,893

Recommendation

Authority staff has reviewed the Westfield Arts Collective Inc. application for the Center for Creativity @The Rialto Project and finds that it satisfies the eligibility requirements of the Act (as recently amended) and Rules. It is recommended that the Members approve and authorize the Authority to issue an approval letter and subsequently enter into an incentive award agreement. The tax credit award is 100% of actual eligible costs with a maximum tax credit amount of $43,381,250. The final award amount will be based on the Project's actual eligible costs.

Issuance of the CAFE tax credits are contingent upon the Applicant submitting documentation evidencing project financing and planning approvals with respect to the Project within the time required in the Rules (one year after approval), which includes:

i. Financing commitments for all funding sources for the Project consistent with the information provided by the Applicant to the Authority for the CAFE tax credit. For funds raised through charitable contributions, this requires evidence of pledges or other donor commitments;
ii. Evidence of site control for the Project including geothermal wellfield installation and easement agreement from the Town Council
iii. Site plan approval (including elevator (s) and canopy) and copies of all required State and federal government permits for the Project and copies of all local planning and zoning board approvals that are required for the Project; and
iv. Plan for satisfying the minimum environmental sustainability standards.

Evan Weiss, CEO

Prepared by:
Elizabeth Limbrick – Director, Real Estate Tax Credits & Incentives

To: Members of the Authority

From: Evan Weiss
Chief Executive Officer

Date: July 22, 2026

RE: CAFE Program- Product # 00320740
Paper Mill Playhouse ("Applicant")
Front of House Project

Request

The Members are requested to approve a tax credit award of 100% of the eligible project cost ("Eligible Costs"), not to exceed $24,801,207 under the Cultural Arts Facilities Expansion (CAFE) Program for the Paper Mill Playhouse cultural arts facilities project (Project) located in Millburn, Essex County.

The recommended tax credit award is subject to conditions subsequent to receiving and maintaining the award, including submission of certifications and evidence that the Applicant has met, and will continue to meet, the eligibility criteria. Per Program rules, staff is authorized to reduce the award amount to match the actual certified eligible project costs, as certified by a Certified Public Accountant, at the conclusion of the Project.

CAFE Program Background

The Cultural Arts Incentive Program, also known as the Cultural Arts Facilities Expansion (CAFE) program, became effective on December 21, 2023 pursuant to P.L. 2023, c. 197. In creating this program, the Governor and legislature provided that Authority shall administer the program to utilize cultural arts institutions to catalyze economic growth through the provision of incentive awards to reimburse developers for certain project financing gap costs. CAFE Program Rules ("Rules") were specially adopted by the Authority Board on January 23, 2025 and took effect on February 10, 2025. The final rules were adopted on June 18, 2025. In addition, legislative amendments to the Act (P.L. 2025, c.127 or "Chapter 127") became effective on August 15, 2025. This application is being considered based upon the Act (as most recently amended) and Rules.

The Program provides tax credits for five years during the operating period after construction is completed (the "Eligibility Period"). The amount of tax credits a "cultural arts project" receives, as stipulated in the statute, is 100% percent of the project's eligible project costs and is subject to a statutory cap of $75 million.

The CAFE program was established by statute initially as a competitive program, under which projects must apply within a defined application window, with all applications to be considered following the closure of the application period. The first round for CAFE applications opened on April 7, 2025 and closed on June 13, 2025. The second round for CAFE applications opened on July 10, 2025 and closed on August 11, 2025. The Authority established scoring criteria for the evaluation of proposed CAFE projects. To receive a tax credit award, a cultural arts institution's application must receive a minimum score of 40 out of 100 maximum total score. Under the competitive paradigm, if in any given round the Program is oversubscribed, then applications will be ranked based on score, and awards will be based on ranking. However, Chapter 127 allows the CAFE program to transition from a competitive to a rolling basis, which can be done by ensuring that sufficient tax credits are available for all eligible applicants. Operating on a rolling basis offers several advantages, such as enabling applications to be brought before the Board for decisions as they become ready, rather than waiting for all applications to be decisioned simultaneously. This transition is feasible because the Authority has reserved the necessary amount from the potential $500 million reallocation from Aspire and Emerge allowed by Chapter 127.

Project Information

Applicant: Paper Mill Playhouse ("Paper Mill") (not-for-profit 501(c)(3) organization)

Project Name: Front of House

Project Locations: 22 Brookside Drive, Millburn, NJ

Project Description:

The Front of House Project is a comprehensive renovation and expansion of the theater's "Front of House" (the public areas of the building). The project involves 26,164 SF in Front of House renovations which will expand the 45,604 SF existing theater building to 48,152 SF (a net addition of 2,548 SF). The project will address longstanding deficiencies in accessibility, circulation, and building systems. The project includes reconfigured and expanded lobby circulation, replacement of outdated and undersized restrooms with modern, ADA-compliant facilities, upgrades to mechanical, electrical, and plumbing systems, redesign of main entrances and interior walkways to eliminate accessibility barriers and refurbishment of donor engagement and hospitality spaces, as well as selective demolition of existing 2-3 story structures and associated infrastructure. The Project also includes new exterior envelope including brick masonry, rainscreen cladding, curtain wall glazing, and roofing. The new two-story lobby will feature box office, concessions and merchandising areas, monumental stairs and elevator, bathrooms, and enlarged donor lounge.

The Mayor of Millburn noted in her letter of support for this project that, "Paper Mill Playhouse is a treasured cultural institution in New Jersey, drawing over 200,000 patrons annually to our downtown and enriching the lives of residents and visitors through world-class theatrical productions, education programs, and community events." The Executive Director of the Paper Mill Playhouse noted that the CAFE tax credit will enable the theater to undertake an expansion, increasing the accessibility of the theater. In correspondence from Paper Mill Playhouse, the Applicant stated that "the project is being undertaken at a time when planned construction expenditures are expected to outpace the timing of donations and scheduled pledge payments, creating a need for interim financing to bridge the gap between project costs and committed philanthropic support. Without CAFE tax credits, Paper Mill would need to rely more heavily on commercial bridge financing to complete the project. This would likely result in a substantially higher interest burden and would divert organizational resources away from core mission activities, including theater education, accessibility programming, free and low-cost community programs, and artist development. Given recent pressures on the performing arts sector, including the long-term effects of the COVID-19 pandemic, significant increases in operating costs, and broader economic uncertainty, additional commercial debt would place the organization in a less resilient financial position during and after construction."

The Executive Director of the Paper Mill Playhouse, Michael Stotts, stated that the "Paper Mill Playhouse is a statewide cultural, educational, and economic asset whose reach extends well beyond Millburn and the surrounding communities. The Front of House Project will strengthen Paper Mill's ability to serve audiences, students, educators, artists, families, veterans, people with disabilities, and under-resourced communities across New Jersey by improving accessibility, expanding public-facing spaces, and supporting the long-term sustainability of its programming." Paper Mill Playhouse's statewide outreach and community benefit initiatives include:

- Educational access for under-resourced schools: Providing field trips, artist residencies, and tailored talkback events for students at under-resourced New Jersey high schools through the Adopt-A-School Project. These programs help students access live theater, connect classroom learning to professional arts experiences, and participate in cultural programming that may otherwise be financially or geographically inaccessible.

- Inclusive programming for individuals with disabilities: Programming for individuals on the autism spectrum and with other developmental disabilities through the Theater for Everyone program, which provides sensory-friendly performances at Paper Mill, traveling productions to special needs schools across New Jersey, and residency programs that enable students to participate as performers, regardless of the obstacles they may face due to their disability.

- Statewide student engagement through the Rising Star Awards: Hosting the statewide Rising Star Awards, which impacts thousands of high school students each year. In 2026, 115 high schools from across the state participated, each receiving thoughtful feedback on their performances from trained adjudicators attending their show. This program supports arts education, student development, and theater programs across New Jersey.

- Comprehensive accessibility programming: Offering audio-described performances, American Sign Language interpreted performances, sensory seminars, and open-captioned performances, ensuring that patrons with disabilities can more fully participate in Paper Mill's productions and educational offerings.

- Discounted and reduced-cost access: Providing discounted tickets for students, patrons under 30 years old, veterans and active-duty military members, first responders, educators, and families receiving state assistance through SNAP and/or WIC. These initiatives help reduce financial barriers and broaden access to professional theater for a more diverse statewide audience.

- Expanded public and nonprofit use of renovated spaces: Creating opportunities for public use of renovated hospitality and gathering spaces for civic gatherings, education showcases, nonprofit partner events, and community-facing programs. These improvements will allow Paper Mill to serve not only as a theater, but also as a convening space for arts, education, and civic engagement.

- Support for New Jersey's arts workforce and union labor: Supporting employment opportunities for administrative staff, artists, technical professionals, and workers represented by the five professional unions with which Paper Mill Playhouse regularly collaborates. The Project will help sustain the broader arts and cultural workforce in New Jersey while preserving access to high-quality professional theater.

The Executive Director also stated that the "Paper Mill Playhouse's Front-of-House Project will provide a substantial economic impact to the tri-county region and the broader State of New Jersey." According to a 2024 Economic Impact Report prepared by Econsult Solutions, Paper Mill Playhouse generates approximately $65 million in total annual economic output for the State of New Jersey. The theater promotes tourism in the region, supports local businesses through visitor spending, fosters arts appreciation across multiple generations, and creates employment opportunities across the performing arts ecosystem.

Project Ownership:
The Applicant, Paper Mill Playhouse, is a 501(c)3 non-profit entity incorporated in 1934 governed by a Board of Trustees. The Applicant provided a September 17, 2025 letter from the NJ Department of Law and Public Safety stating that they are "registered in the State of New Jersey under the provisions of the Charitable Registration and Investigation Act of 1994 (N.J.S.A. 45: 17A-18 et seq.) and is currently in compliance with the Charities Registration requirements of that law."

The Township of Millburn took ownership of the property and buildings in 2008. Paper Mill

Playhouse entered into a 35-year lease agreement with Millburn Township on July 18, 2008, that allows the theater exclusive use and enjoyment of the property for the lease period and the option to automatically extend for four additional successive ten-year terms.

The Applicant will serve as their own lead development entity and has engaged key team members with a proven track record in developing projects in similar or greater size and scope. The Applicant has engaged KSS Architects, LLP (KSS), a New Jersey-based firm, that has extensive experience in designing arts and cultural facilities, including the Edelman Fossil Park & Museum at Rowan University, the Learning and Engagement Center at the Newark Museum of Art, the Remy Theatre at Sarah Lawrence College, and the Pier Club located within the Prudential Center. Their work to date includes a full analysis of the Front of House project including conceptual designs, third-party cost estimates, and architectural renderings. KSS will continue to navigate the project through construction documents, permitting, and high-level coordination. The general contractor, Phelps Construction Group (Phelps), has performed pre-construction services for the Paper Mill Front of House project over the past year. Phelps has extensive experience managing a wide array of challenging construction projects including Loew's Jersey Theatre, Rutgers University, Prudential Center, the Statue of Liberty Museum and the Ellis Island Museum. Phelps will be responsible for overseeing the day-to-day management of the project, including the hiring of and coordination of all of the subcontractor work, monitoring costs and schedules, maintaining project documentation, producing progress reports, and administering the Guaranteed Maximum Price (GMP), while working collaboratively with KSS Architects.

Legal Review and Sister Agency Check:

A Legal Review (debarment/disqualification review) was completed on the Applicant (which is also the Lead Development Entity) by the Authority, and Applicant was cleared. Applicant was also found to be in substantial good standing with the Department of Labor and Workforce Development, Environmental Protection, and the Treasury.

Construction Timeline:

Construction is expected to commence in the third quarter of 2026 and will take 12-16 months to complete. A soft opening is targeted for third quarter of 2027 with full programming by fourth quarter of 2027.

Project Details

Scoring:

The CAFE application submitted for the Project was reviewed and scored based on the Program's pre-established scoring criteria. The criteria focus on the following main themes:

1) The amount of tax credit requested compared to the amount of tax credits required for the completion of the cultural arts project, i.e. if the project is leveraging other sources of funding, they will score higher
2) How the cultural project will advance state, regional, and local goals of cultural arts facilities in underserved communities
3) The impact of the cultural arts project and its relation to local development strategy
4) The economic development impact of the cultural arts project, and job creation

5) Whether the project is located in an area with high economic and social distress
6) New full-time jobs, as determined by the expansion or increase in activities at the project
7) Approach and plan for affordable offerings to the general public
8) Diversity of the Board that is representative of the community

The Applicant is required to achieve a minimum score of 40 out of 100 to be eligible for a CAFE award.

The application was reviewed and scored by a committee comprised of a multidisciplinary team of NJEDA staff with experience in the fields of real estate development projects and project management. The non-discretionary criteria (e.g., criteria based on site location) was scored by the CAFE team, the Economics and Data Analytics team provided half of the score for Criterion 4 listed above using the IMPLAN model, and the remainder of the application was scored by the three (3) members of the committee. Once individual score sheets from all selection committee members were received, the scores were averaged. The Applicant received a score of 70.67 out of a possible 100, therefore surpassing the required minimum score of 40.

Credit and Finance Review

Based on the financial review, Staff concludes that the Applicant has adequate and bona fide sources of funding to cover all project costs and there is a reasonable expectation these sources of funding will be available to complete the Project. The Applicant has also illustrated the wherewithal to meet the Program's minimum 20% equity contribution requirement (which as defined by Program rules may include a fundraising based on a plan, Federal, State, and/or local grants and expected proceeds from the sale of Federal or local tax credits, including the Federal Historic Tax Credit and Low-Income Housing Credit, as well as certain property value and project feasibility costs) and has demonstrated a project financing gap. Additionally, the Applicant has provided documentation showing proposed terms for the sale of CAFE credits at a price of 89 cents on the dollar, which exceeds the Program minimum of no less than 85 percent of the transferred credit amount before considering any further discounting to present value for the sale or transfer of CAFE credits.

The review confirmed that capital investment for the proposed Project will be greater than the Program's minimum requirement of $5,000,000. Finally, based on that review, Staff has a reasonable expectation the lead development entity, the Paper Mill Playhouse, will continue to be a viable entity throughout the project construction timeline.

Project Uses and Sources

The Applicant proposes the following uses for the Project:

Uses	Total Project Costs	Project Costs
Acquisition	$0	$0
Hard construction costs	$21,225,468	$21,225,468

Other hard costs including permanent equipment	$163,000	$163,000
Financing, Professional Services and other soft costs	$8,456,972	$3,412,739
TOTAL	**$29,845,440**	**$24,801,207**

The eligible project cost is the cost included in total project costs that is used for sizing the tax credit. Total eligible project costs exclude costs incurred prior to application, land acquisition costs and certain soft costs, such as NJEDA fees. As defined by the program rules, with the exception of soft costs incurred within 12 months prior to application, work conducted prior to application is not considered an eligible project cost. The CAFE program limits eligible soft costs to 20% of the total eligible project costs, equivalent to $5,347,117. The Applicant included $3,412,739 in eligible soft costs which is within the program's allowable cap. Additionally, the project costs were evaluated by Sterling Project Development (SPD), the Authority's consultant, and SPD determined the costs to be reasonable. SPD concluded that "Paper Mill Playhouse's proposed budget is responsibly assembled and generally reasonable for a project of this scale and type. Hard costs are within SPD's benchmarked range, contingencies are largely appropriate for the reported advanced stage of design, and the overall cost structure does not raise material concerns. The absence of a developer fee is appropriate given the project's nonprofit context."

The Applicant proposes the following Sources for the Project:

Sources of Financing	Amount
Enhanced Capital: Bridge Loan Financing	$11,654,583
Paper Mill Playhouse: Fundraising Proceeds (equity)	$18,190,857
Total	**$29,845,440**

The Project will be funded through fundraising by the Paper Mill Playhouse Board of Trustees and a bridge loan from Enhanced Capital. The Applicant has stated that they intend to use the funds realized from the sale of the CAFE tax credits to repay the bridge loan. The Applicant clarified that they will be advancing funds from their cash reserves for the Project. Paper Mill Playhouse will have lost revenue due to the construction impacts and truncated programming schedule, and the tax credit sale proceeds will be used to reimburse what has been depleted.

Paper Mill Playhouse is conducting a capital campaign with a goal of raising $18,190,587 million for the Front of House CAFE Project. Paper Mill Playhouse's Next Act Capital Campaign has a total goal of $48,725,000 spanning five project components with the Front of House renovations, being one component. The Authority's consultant, HR&A Advisors, Inc.'s review of the fundraising plan found that the fundraising plan is reasonable and credible. Additionally, they found that the "fundraising plan reflects the institutional depth of a well-established organization with a multi-year, professionally managed campaign." Paper Mill has already raised $17,835,000 in donations for the Front of House.

<u>Applicant Contributed Equity</u>

Based on the equity requirement of 20% of total project cost for a project, the required applicant - contributed equity in this Project equates to $5,969,088. The equity for this CAFE Project is comprised of $18,190,857 million from the Applicant's capital campaign; therefore, the Project meets the 20% equity requirement.

Financing Gap Analysis

The statute requires that to be eligible for the CAFE tax credit, the Authority must determine that at time of application, the cultural arts project will generate a below market rate of return. The statute further specifies that the Authority shall determine whether a project financing gap exists. As such, the Authority reviewed the application to determine if there is a financing gap pertaining to the return on the investment for the cultural arts institution and ability to attract the required investment. HR&A Advisors, Inc. analyzed the pro forma and projections and compared the returns with and without the CAFE award.

HR&A Advisors, Inc. concluded that the estimated net tax credits would not "over-enrich" project returns, would provide an appropriate level of incentive and that "the project is not financially feasible without CAFE support. The Front of House renovation addresses long-deferred infrastructure needs, including lobby reconfiguration, ADA compliance, MEP system replacement, and restroom expansion, that do not generate direct earned revenue sufficient to justify the full cost through private financing." Staff concurs with this conclusion and further concludes based on a review of the pro forma and project IRR that the applicant demonstrates that the proposed financing structure is sufficient to operate the project during the term of the CAFE award. Staff additionally concludes this project meets the statutory requirement of generating a below market rate of return and that a project financing gap exists.

Accordingly, the proposed tax credit award does not "over-enrich" the returns of this Project. Based on the above analysis, the recommended award amount is $24,801,207.

Recommended Award Amount	$24,801,207

CAFE Tax Credit Sale Price

The sale or assignment of the CAFE tax credits can be no less than 85 percent of the transferred credit amount before considering any further discounting to present value. The Applicant has provided documentation to the Authority that the consideration contemplated in the current financing structure is 89 percent of the transferred credit amount before considering any further discounting to present value. Currently it is anticipated that the tax credits will be sold as they become available, with the proceeds to repay project financing. The ultimate financing structure and any changes in the future will be subject to this requirement and the Applicant will need to evidence this prior to any assignment or transfer of CAFE tax credits.

Other Statutory Criteria

Cultural Arts Institution Facility

To qualify for the CAFE program, the Applicant must satisfy the definition of a "cultural arts institution" and the facility must satisfy the definition of a "cultural arts institution facility."

These are defined in the Program rules as follows:

Cultural arts institution means,

"1. One of the following:

i. A governmental entity;

ii. A nonprofit entity; or

iii. A governmental economic or community development entity, which is incorporated pursuant to Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes, operating on a not-for-profit basis; and

2. That has the primary mission and specific policy goal of cultural, arts and cultural education, or artistic enrichment of the people of this State.

A for-profit business seeking a tax credit for a cultural arts institution facility open to the public; provided that the cultural arts institution facility is receiving a Federal historic rehabilitation tax credit pursuant to the Federal Internal Revenue Code of 1986, 26 U.S.C. § 47, or a tax credit pursuant to the Historic Property Reinvestment Act, N.J.S.A. 34:1B-270 through 276."

Cultural arts institution facility means *"an existing or proposed facility within this State, operated and maintained by a cultural arts institution for cultural arts and that is open to the public. A cultural arts institution facility includes, without limitation, an aquarium, botanical society, historical society, library, museum, gallery, performing arts center, arts-based community centers, or any related facility that is principally for the support and benefit of any of the foregoing. The term cultural arts institution facility shall not include facilities predominantly used for athletics, recreation, and non-arts-based community centers."*

The "Front of House" CAFE Project includes capital improvement to expand and renovate a performing arts center. All proposed uses are cultural arts related. All interior facility space directly supports cultural arts uses, confirming that the Project satisfies the requirement that more than 50% of the facility to be dedicated to cultural arts. As the Project is performing arts center, with more than 50% of the space (square footage) intended for cultural arts use, the facility meets the definition of a cultural arts institution facility. The Applicant stated on their federal tax return (Form 990), "Paper Mill brings its audiences the best in musical theatre, from celebrated revivals to groundbreaking new works. Our mission is to entertain, inspire and enrich the lives of our audiences and students through this most quintessential American art form." Therefore, as the Applicant is a 501(c)3 nonprofit organization and has the mission of, or experience in, cultural, educational, or artistic enrichment of the people of this State, staff finds that the Applicant has met the definition of a "cultural arts institution" and the facility and the project meet the definition of a "cultural arts institution facility."

Site Control and "Open to the Public"

The Applicant has certified that the cultural arts institution facility will satisfy the program definition of "Open to the Public" throughout the five-year eligibility period. This Project is categorized under the classification of a cultural arts facility in which primarily performances are held in front of a live audience, and pursuant to the Program rules, the facility shall be accessible and open to the public on average at least four events per month during the eligibility period. As stated in the Program Rules, the Authority may determine a different standard of "open to the public" due to unavoidable closures or other circumstances approved by the Authority.

The cultural arts institution is also required to have ownership or lease for the CAFE project and is required to operate the facility throughout the eligibility period. At time of application, the Cultural Arts Institution must demonstrate a path to site control and must demonstrate evidence of site control as a condition of approval. The Township of Millburn took ownership of the property and buildings in 2008. Paper Mill Playhouse entered into a 35-year lease agreement with Millburn Township on July 18, 2008, that allows the theater exclusive use and enjoyment of the property for the lease period and the option to automatically extend for four additional successive ten-year terms. This satisfies the program's requirement that the cultural arts institution have control of the project site throughout the eligibility period.

Work First New Jersey

The initial Act and Rules required that the cultural arts institution partner with one or more community organizations that provide support and services to Work First New Jersey program recipients. However, Chapter 127 allows for the applicant to directly provide services and support to Work First NJ program recipients during the eligibility period without the requirement to partner with a community organization. Because the application was launched and closed under the prior Act and Rules, the applicant may choose to proceed under the Act and Rules applicable at the time of the application round or Chapter 127. Paper Mill Playhouse is an active partner in the Families First Discovery Pass program and chooses to fulfill this requirement through its participation in this program under Chapter 127. Through the Families First Discovery Pass program, Paper Mill Playhouse offers discounted tickets for every performance.

Prior Construction

The CAFE program also includes an eligibility requirement that construction has not commenced at the project site, unless the project would not be completed without an award of tax credits under the program, with specific criteria provided in the program rules and the Policy Update for CAFE memorandum which was approved by the Board on May 14, 2025. Paper Mill Playhouse has certified that construction on the Project had not commenced prior to submitting their CAFE application. The Applicant commenced construction on July 1, 2026, which is after the date of the application submission (June 13, 2025). Therefore, the Applicant has satisfied this requirement.

Prevailing Wage Obligations
For any project awarded CAFE tax credits all workers employed to perform construction work or building services work at the CAFE Project (or work done in connection with, as a condition of, or to prepare the facility for the CAFE Project) shall be paid prevailing wages, which continue through the end of the Eligibility Period. The Applicant has acknowledged this requirement and that in any year where this is found not to be the case, the Applicant shall forfeit the tax credit for that year. NJEDA's Labor and Compliance staff met with the Applicant and their contractor (Phelps) on June 25, 2026, to reinforce the need for the Applicant to adhere to the Authority's prevailing wage requirements and discussed that any work that the Applicant performs prior to Board approval, must adhere to this requirement.

Substantial Good Standing/Subcontractor and Contractor Requirements
For the duration of the Eligibility Period, the Cultural Arts Institution must be in substantial good standing (or have entered into an agreement) with the Department of Labor and Workforce Development, Environmental Protection, and the Treasury for any project awarded CAFE tax credits and that each contractor and subcontractor performing work at the CAFE Project: is registered as required by the Public Works Contractor Registration Act, has not been debarred, suspended, or disqualified by the Department of Labor and Workforce Development from engaging in or bidding on Public Works Contracts in the State, and possesses a tax clearance certificate issued by the Division of Taxation in the Department of the Treasury.

Availability of CAFE Resources

At the time of this recommendation, there are $1,146,952,350 in uncommitted tax credit resources available to CAFE projects.

Initial Allocation	$1,200,000,000	$1,200,000,000
Additional Maximum Reserved from Aspire / Emerge Fund (11/12/2025 Board Memo)	$137,247,803	$1,337,247,803
Previous Round 1 Awards	$190,295,453	$1,146,952,350
Previous Round 2 Awards	$0	$1,146,952,350
Recommended Award in this Memo	$24,801,207	$1,122,151,143

Recommendation
Authority staff has reviewed the Paper Mill Playhouse's application for the Front of House Project and finds that it satisfies the eligibility requirements of the Act (as recently amended) and Rules. It is recommended that the Members approve and authorize the Authority to issue an approval letter and subsequently enter into an incentive award agreement. The tax credit award is 100% of actual eligible costs with a maximum tax credit amount of $24,801,207. The final award amount will be based on the Project's actual eligible costs.

Issuance of the CAFE tax credits are contingent upon the Applicant submitting documentation evidencing project financing and planning approvals with respect to the Project within the time required in the Rules (one year after approval), which includes:

i. Financing commitments for all funding sources for the Project consistent with the information provided by the Applicant to the Authority for the CAFE tax credit. For funds raised through charitable contributions, this requires evidence of pledges or other donor commitments;
ii. Evidence of site control and site plan approval for the Project;
iii. Site plan approval and copies of all required State and federal government permits for the Project and copies of all local planning and zoning board approvals that are required for the Project; and
iv. Plan for satisfying the minimum environmental sustainability standards.

Evan Weiss, CEO

Prepared by:
Elizabeth Limbrick – Director, Real Estate Tax Credits & Incentives

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Stand-Alone Bond

APPLICANT: N.C., & Sons, Inc. d/b/a Nicholson Corporation and 17 Imclone Holdings LLC PROD-00326452

PROJECT USER(S): Same

PROJECT LOCATION: 17 Imclone Drive Branchburg Township Somerset

APPLICANT BACKGROUND:

17 Imclone Holdings LLC, established in 2026 was created to purchase the commercial real estate located at 17 Imclone Drive Branchburg, NJ 08876.

N.C., & Sons, Inc., established in 1997 operates as a contractor specializing in carpentry, millwork, sitework, concrete and masonry. The main operations of the Company are in NJ. The Company also conducts business in Southeastern PA including Philadelphia, NYC (all 5 boroughs) and the lower Hudson valley.

The bond proceeds will be used to acquire and rehabilitate an existing building which will be used as a dedicated millwork manufacturing facility that converts raw materials and purchased components into finished architectural millwork products.

N.C., & Sons, Inc. qualifies as a manufacturing facility for which the Authority may issue tax-exempt bonds as permitted under Section 144 of the 1986 Internal Revenue Code as amended.

OTHER NJEDA SERVICES:

None

APPROVAL REQUEST:

Authority assistance will enable the Applicant to acquire a 58,400 sq. ft industrial building on 8.04 acres of land to be use as a manufacturing facility.

This project is being presented for final approval.

FINANCING SUMMARY:

BOND PURCHASER:	Wells Fargo Bank, National Association (Direct Purchase)
AMOUNT OF BOND:	$9,375,000
TERMS OF BOND:	25-year term with an initial variable interest rate equal to 79% of the SOFR Average plus 1.57%, with a mandatory tender and interest rate reset after 5 years, with an Indicative Rate of 4.46% as of 7/9/2026. During the initial 5-year term, the Borrower expects to enter into an interest rate swap with an indicative fixed swap rate of 4.94% as of 7/9/2026.
ENHANCEMENT:	N/A

PRODUCT COSTS:

Acquisition of Existing Building	$12,500,000.00	Fixtures & Equipment and Furniture	$500,000.00
Finance Fees	$35,000.00	Engineering and Other Professional Fees	$75,000.00
Legal Fees	$90,000.00		

TOTAL COSTS: $13,200,000.00

JOBS:

NJ Full Time Jobs at Application	Expected New Full Time Eligible Jobs at Project Site	Full Time Maintained Jobs at Project Site	Estimated Construction Jobs
82	30	30	0

PUBLIC HEARING: 7/22/26

DEVELOPMENT OFFICER: Brian Timberman

BOND COUNSEL: McCarter & English

UNDERWRITER OFFICER: Steven Novak

NJEDA
ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Evan Weiss
Chief Executive Officer

DATE: July 22, 2026

SUBJECT: Food Desert Relief Tax Credit Sale 2026

Request

The Members are asked to approve:

1) The sale of up to $50 million in available tax credits in calendar year 2026 in a manner consistent with the Board-approved specifications from April 2023 and consistent with the Food Desert Relief Act, sections 35 through 42 of the New Jersey Economic Recovery Act of 2020, P.L. 2020, c. 156, as amended by P.L. 2021, c. 160 and P.L. 2022, c. 47 (N.J.S.A. 34:1B-303, et seq), to receive funds for subsequent programs in line with the uses specified by the Food Desert Relief Act.
2) Delegated authority to the Chief Executive Officer to make revisions to the Board-approved specifications from April 2023 to decide whether to implement (a) a structure wherein the bid amounts from winning bidders incorporate an approval fee of up to 2.5% to support the Authority's administrative costs and (b) a revision to the auction process to align the sister agency checks process to the extent permitted by statutory requirements.
3) Delegation of authority to the Chief Executive Officer to establish the minimum price for the 2026 auction, equal to or above the $0.85 per dollar minimum set by the Food Desert Relief Act, based on an assessment of economic and market conditions.

New Jersey Economic Recovery Act and Past Auctions

On January 7, 2021, the New Jersey Economic Recovery Act of 2020, P.L. 2020, c.156 (ERA) was signed into law. Included in the ERA is the Food Desert Relief Act (FDRA), sections 35 through 42 of P.L. 2020, c. 156, as amended by P.L. 2021, c. 160 and P.L. 2022, c. 47 (N.J.S.A. 34:1B-303, et seq), which allows the New Jersey Economic Development Authority (NJEDA) to both issue tax credits under the Food

Desert Relief Supermarket Tax Credit Program, and to sell tax credits and use the proceeds to fund grant and loan programs that strengthen food security.

In April 2023, the Board approved the sale of up to $50 million in available tax credits in calendar year 2023, in a manner consistent with the Food Desert Relief Act. In accordance with the delegated authority in the Board approval, the CEO determined to offer $15 million for auction. The auction was open from September 18 to October 18, 2023. Seven bids were received. Of those seven bids, three ineligible bids were declined. The remaining four bids totaled $20 million in tax credit requests. Because the auction was oversubscribed, the remaining bidders proceeded to a best and final offer process. Four eligible bids were approved in December 2023 for a total of $15 million in tax credits approved and $13,075,000 in proceeds. The average purchase price was $0.872.

In February 2024, the Board approved the sale of up to $35 million in available tax credits in calendar year 2024. The CEO determined to offer $20 million for auction. The auction was open from August 28 to September 27, 2024. Six bids were received, all of which were eligible. The six bids totaled $25.75 million in tax credit requests. Because the auction was oversubscribed, the bidders proceeded to a best and final offer process. All six bids were approved in December 2024 for a total of $20 million in tax credits approved and $17,998,750 in proceeds. The average purchase price was $0.900.

In July 2025, the Board approved the sale of up to $25 million in available tax credits in calendar year 2025. The CEO determined to offer the full $25 million for auction. The auction was open from September 2 to October 3, 2025. Nine bids were received, all of which were eligible. The nine bids totaled $36.25 million in tax credits. Because the auction was oversubscribed, the bidders proceeded to a best and final offer process. Seven bids were approved in December 2025 for a total of $25 million in tax credits approved and $22,757,975 in proceeds. The two lowest bids were declined as the available tax credits had been fully allocated to higher bidders. The average purchase price was $0.9103.

Summary of Food Desert Tax Credit Auction Demand and Proceeds: 2023 – 2025

	2023	2024	2025	Total to Date
Maximum amount of credits approved by NJEDA board to be sold	$50,000,000	$35,000,000	$25,000,000	$110,000,000
Credits initially announced for auction	$10,000,000	$20,000,000	$10,000,000	$40,000,000
Credits auctioned	$15,000,000	$20,000,000	$25,000,000	$60,000,000
Number of bids	5	6	9	20
Amount of credits requested	$20,500,000	$25,750,000	$36,250,000	$62,500,000
Clearing price	$0.850	$0.885	$0.9001	$0.878
Average price	$0.873	$0.900	$0.9103	$0.897
Proceeds from auction	$13,075,000	$17,998,750	$22,757,975	$53,821,725

Use of Auction Proceeds and 2026 Auction Request

In December 2024, the Board approved the creation of the Food Equity and Economic Development in New Jersey (FEED NJ) grant program, funded with up to $30 million of the funds raised in the 2023 and

2024 tax credit auctions, in alignment with the Food Desert Relief Act.

The FEED NJ program received nearly 200 applications. Following review and scoring by staff, the Board approved 73 applications for FEED NJ in November and December 2025, totaling $30 million in awards to organizations serving New Jersey's most acute Food Desert Communities (FDCs), which include portions of Bridgeton, Camden, Fairfield Twp, Lawrence Twp, Newark, New Brunswick, Passaic City, Paterson, Pennsauken, Salem City, Trenton and Woodlynne.

Recent data shows that more than 26,000 New Jersey residents lost SNAP benefits just since February 2026. With soaring demand at food pantries and pressure on local agriculture and food retail infrastructure, there is an ongoing need for resources to address food insecurity, strengthen the state's agriculture sector and support food retailers of all sizes.

This memorandum requests approval of the sale of up to $50 million in tax credits through a 2026 Food Desert Relief Tax Credit Sale, which will be subject to the specifications approved by the Board in April 2023. Requests to fund specific grant and/or loan programs with proceeds from the tax credit sale will be brought to the Board.

Sale Purpose and General Description

The Food Desert Relief Act allocated $40 million annually in Corporate Business and Insurance Premiums Tax credits over six years, beginning with fiscal year 2021. The FDRA authorizes NJEDA to either award these credits to eligible applicants through the Food Desert Relief Tax Credit Program or to sell all or a portion of the tax credits through a competitive auction process or publicly advertised solicitation for offers. Any unused allocation of tax credits carries forward to future years, meaning that a cumulative total of $240 million of tax credits have become available to date. Because $60 million in tax credit awards were approved through the 2023, 2024, and 2025 Food Desert Relief Tax Credit Sales, the total amount of credits remaining is $180 million.

Eligible bidders may purchase available credits for a minimum of 85 percent of face value for New Jersey Corporate Business Tax or Insurance Premiums Tax. As described above, the proceeds of the sale will be utilized to fund grant and loan programs administered by the Authority to strengthen food security in New Jersey, pursuant to the parameters set out in the FDRA.

Staff is seeking Board approval to sell up to $50 million of the $180 million in currently available tax credits in calendar year 2026. Staff may seek Board approval to sell additional credits in the future, after considering demand for the Food Desert Relief Tax Credit Program from supermarket and grocery store developers and operators as well as market conditions. As stated in the April 12, 2023, board memorandum, the Chief Executive Officer will establish the amount of tax credits to be auctioned, up to the amount approved by the Board, based on an assessment of economic and market conditions.

Request for Delegation

This memorandum includes a request for delegated authority to the CEO to decide whether to implement a structure wherein the bid amounts from winning bidders incorporate an approval fee of up to 2.5% to support the Authority's administrative costs. This amount recovers costs by Authority staff to administer the auction as well as some of the costs to administer programs. In deciding whether to implement this structure, the CEO shall consider the impact of such structure to potential bidders and the success of the auction. Additionally, staff requests delegation to the CEO to decide whether to continue the current sister agency checks process or revise the eligibility criteria for tax credit purchasers to align the sister agency checks process to the extent permitted by statutory requirements based on the benefits of such sister agency checks and their impact on the success of the auction.

The Board is requested to delegate authority to the Chief Executive Officer to establish the minimum price for the 2026 auction. This may include setting a minimum price above the $0.85 per dollar minimum required by the Food Desert Relief Act for the sale of tax credits. This decision is to be based on an assessment of economic and market conditions.

Recommendation

The Members are asked to approve:

1) The sale of up to $50 million in available tax credits in calendar year 2026 in a manner consistent with the Board-approved specifications from April 2023 and the Food Desert Relief Act, sections 35 through 42 of the New Jersey Economic Recovery Act of 2020, P.L. 2020, c. 156, as amended by P.L. 2021, c. 160 and P.L. 2022, c. 47 (N.J.S.A. 34:1B-303, et seq), to receive funds for subsequent programs in line with the uses specified by the Food Desert Relief Act.
2) Delegated authority to the Chief Executive Officer to make revisions to the Board-approved specifications from April 2023 to decide whether to implement (a) a structure wherein the bid amounts from winning bidders incorporate an approval fee of up to 2.5% to support the Authority's administrative costs and (b) a revision to the auction process to align the sister agency checks process to the extent permitted by statutory requirements.
3) Delegation of authority to the Chief Executive Officer to establish the minimum price for the 2026 auction, equal to or above the $0.85 per dollar minimum set by the Food Desert Relief Act, based on an assessment of economic and market conditions.

Evan Weiss
Chief Executive Officer

Prepared by:
Tara Colton, Chief Economic Security Officer

MEMORANDUM

TO: Members of the Authority

FROM: Evan Weiss, Chief Executive Officer

DATE: July 22, 2026

SUBJECT: Amendments to the NJ Bell Labs Venture Studio, LLC Strategic Innovation Center (SIC)

Summary:

Members of the Board are requested to approve:

- An amendment and updates to the Authority's previously approved investment and participation in the New Jersey Bell Labs Venture Studio, LLC ("Venture Studio" or "BLVS") that modifies certain governance, capital contribution, membership, or administrative provisions originally authorized under the executed New Jersey Bell Labs Venture Studio, LLC Operating Agreement (the "Original Agreement").
- Approval of this request will authorize the CEO to execute all documents required, including the amendment attached hereto in the appendix in substantially final form.

Background

In May 2025, the Authority approved participation in the Venture Studio through a capital commitment and governance structure executed via the Original Agreement between the New Jersey Economic Development Authority ("NJEDA") and Nokia of America Corporation ("Nokia"), together, the Members.

The Venture Studio was established to accelerate commercialization of intellectual property, support the formation and growth of participant companies, promote ecosystem engagement, and advance New Jersey's long-term innovation economy. The structure included equal governance between NJEDA and Nokia, defined capital commitments, and reporting requirements, along with related agreements necessary for program execution.

Since initial execution, the Members have collaborated on operational planning, investment mechanics, program development, and partnership onboarding. During this process, certain provisions of the Original Agreement were identified for refinement to improve clarity, strategic and operational alignment, and long-term administrative efficiency. Given the recent corporate leadership change, Nokia announced adoption of a new strategic direction, operating model and long-term financial target, warranting a spin-out of the BLVS as an independent operating company.

These updates have been memorialized in the Second Amendment.

NJ Bell Labs Venture Studio SIC Update

Operating for more than a year, the Venture Studio is still in the early stages of deployment. In the last six months, BLVS advanced the development of its operational foundation while accelerating the evaluation and selection of high-potential intellectual property for venture creation. The venture studio strengthened its ecosystem presence by expanding university partnerships across New Jersey, deepening engagement within academic and industry communities, and broadening its network of strategic investors and go-to-market partners—including continued collaboration with Nokia. These efforts supported a robust and diversified IP funnel, enabling the team to identify and prioritize promising technologies in advanced sensing, detection and monitoring technologies for potential transition into the active venture-building phase. BLVS also continued to invest in talent development, successfully completing its inaugural university cohort program and laying the groundwork for an expanded annual initiative designed to nurture the next generation of innovators.

In parallel, BLVS made meaningful progress on venture commercialization activities, finalizing key license agreements and advancing assignment and licensing negotiations that form the foundation of the first portfolio investment. BLVS has called $500,000 of the original $5,000,000 OpEx budget from the NJEDA to date to support operations. The organization remains on track to present business cases for two AI Infrastructure ventures to the BLVS Investment Committee in Q3 2026, with targeted company launches shortly thereafter. None of the original $10,000,000 investment commitment has been called from EDA, yet, as the initially approved investment has not yet closed. Together, these achievements reflect strong operational momentum and a maturing pipeline that positions BLVS for continued growth in the quarters ahead.

Proposed Amendments

The amendments provided by the BLVS team formalize negotiated updates that support strategic alignment, efficient program delivery and maintain the intent of the Venture Studio's shared governance structure.

The Second Amendment includes modifications that address:

• Capital Contribution and Membership Adjustments Reflecting updated allocations, revised capital schedules, and clarifications to Member percentage interests necessary to align with current operational planning. Partner contributions will be modified as per the table below. This will result in increased capital efficiency to operate the studio and allow for greater portfolio diversification investing fewer dollars per company than previously budgeted. The anticipated number of investments will increase from 2-3 companies per year for the investment period to 4-5 companies per year (total 10 to 18 targeted companies). Ultimately, NJEDA and Nokia will be 50/50 partners across investment and studio OpEx as Nokia will leverage a previously directed, complementary source of capital managed by Celesta Capital. Celesta will complete a separate subscription agreement with Nokia.

CURRENT

	NJEDA	NOKIA	
Studio OpEx	$5M (Cash)	$10M (Inkind)	**$15M**
Investment	$10M (Cash)	$5M (Cash)	**$15M**
	$15M	**$15M**	**$30M**

RESTRUCTURE

	NJEDA	NOKIA	Celesta 5N	
Studio OpEx	$4.5M (Cash)	$2M + $1.5M (Inkind & Cash)	$1M (Inkind)	**$9M**
Investment	$4.5M (Cash)	$3.5M (Cash)	$1M (Cash)	**$9M**
	$9M	**$7M**	**$2M**	**$18M**

• Governance and Administrative Clarifications, Adjustments to voting mechanics, approval thresholds, or committee structures that better support the Studio's evolving operational needs. Revision of the Investment Committee structure will introduce one vote from Celesta, which is a benefit to add additional professional oversight to investment selection.

• Documentation, Administration, and Compliance Updates Clarifying provisions relating to delivery methods, signatures, notices, and administrative functions to ensure consistency with operational practice. Administration of BLVS will shift from Nokia to the CEO and staff of BLVS, directly. This will have the effect of empowering the four person BLVS team to operate nimbly, away from the previously structured relationship with Nokia in the administrative role.

A revised operational budget has been presented to NJEDA and the BLVS Board of Managers for review and action post-approval of the amendment.

Recommendation

Members of the Board are requested to approve:

- An amendment and updates to the Authority's previously approved investment and participation in the New Jersey Bell Labs Venture Studio, LLC that modifies certain governance, capital contribution, membership, or administrative provisions originally authorized under the executed New Jersey Bell Labs Venture Studio, LLC Operating Agreement.
- Approval of this request will authorize the CEO to execute all documents required, including the amendment attached hereto in the appendix in substantially final form.

Evan Weiss, CEO

Prepared by: Tim Rollender, Director – Strategic Innovation Initiatives

Attachments
APPENDIX A – SECOND AMENDMENT TO LIMITED LIABILITY COMPANY AGREEMENT
APPENDIX B - LIMITED LIABILITY COMPANY AGREEMENT OF NEW JERSEY BELL LABS VENTURE STUDIO, LLC

APPENDIX A

SECOND AMENDMENT TO
LIMITED LIABILITY COMPANY AGREEMENT

This Second Amendment to Limited Liability Company Agreement (this "*Amendment*") of New Jersey Bell Labs Venture Studio, LLC (the "*Company*") is effective as of July 1, 2026 (the "*Amendment Date*") by and among Nokia of America Corporation, a Delaware corporation ("*Nokia Member*"), Celesta Capital V-N, L.P., a Delaware limited partnership ("*Celesta Member*"), and New Jersey Economic Development Authority, a body corporate and politic of the State of New Jersey ("*NJEDA Member*" and together with Nokia Member and Celesta Member, the "*Members*"). Capitalized terms used herein and not otherwise defined or amended hereby shall have the meanings ascribed to them in the Existing Agreement (as defined below).

RECITALS

WHEREAS, Nokia Member and NJEDA Member entered into that certain Limited Liability Company Agreement of the Company, dated as of June 30, 2025, as amended and supplemented by the letter agreement dated June 30, 2025 between the Nokia Member and the NJEDA Member (the "*Side Letter*") and by that certain Amendment to Limited Liability Company Agreement on July 30, 2025 (as so amended, the "*Existing Agreement*" and as amended by this Amendment, the "*Agreement*").

WHEREAS, simultaneously herewith, (a) Nokia Member is forfeiting to the Company 110,000 units of limited liability company interest in the Company pursuant to a separate forfeiture agreement effective as of the Amendment Date, and (b) Celesta Member is purchasing from the Company 110,000 units of limited liability company interest in the Company in consideration for a Capital Commitment to the Company of $2,000,000.00 pursuant to a separate subscription agreement effective as of the Amendment Date.

WHEREAS, the Members wish to amend the Existing Agreement pursuant to the terms set forth herein.

NOW THEREFORE, in consideration of the promises and the mutual agreements hereinafter contained, and for other good and valuable consideration, the Members agree as follows:

AGREEMENT

1. The Existing Agreement is hereby amended as follows:

1.1 Section 1.01 of the Existing Agreement is hereby amended to remove the definition of "Definitive Agreements" in its entirety and replace it with the following:

"*Definitive Agreements*" shall mean this Agreement, as amended, and the Side Letter.

1.2 Section 1.01 of the Existing Agreement is hereby amended to remove each of the defined terms "Alternative Site," "Future Site," "Nokia In-Kind Contributions, " and "Services Agreement" in their entirety, and all references in the Agreement to "Alternative Site," "Future Site," "Nokia In-Kind Contributions, " and "Services Agreement" shall be removed, and the Agreement shall be interpreted so as to make such conforming changes as are necessary to reflect such removal.

1.3 The following defined terms are hereby added to Section 1.01 of the Existing Agreement, each to be inserted in the appropriate alphabetical order and to have the respective meanings set forth below:

APPENDIX A

"*Amendment Date*" shall mean July 1, 2026.

"*Capital Calls*" shall have the meaning set forth in Section 6.05.

"*Celesta Capital Commitment*" shall have the meaning set forth in Section 6.03.

"*Celesta Investment Commitment*" shall have the meaning set forth in Section 6.03.

"*Celesta Operations Commitment*" shall have the meaning set forth in Section 6.03.

"*Celesta Member*" means Celesta Capital V-N, L.P., a Delaware limited partnership.

"*Investment Capital Call*" shall have the meaning set forth in Section 6.05.

"*Management Company*" shall have the meaning set forth in Section 7.02(e).

"*Management Team*" shall have the meaning set forth in Section 7.02(e).

"*Operations Capital Call*" shall have the meaning set forth in Section 6.04.

Each definition appearing in Section 1.01 of the Existing Agreement shall be renumbered in a corresponding manner to accommodate the addition of the foregoing defined terms, all references in the Agreement to such subsections shall be deemed to refer to such defined terms as so renumbered, and the Agreement shall be interpreted so as to make such conforming changes as are necessary to reflect such renumbering.

1.4 The first sentence of Section 2.03 of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"2.03 Principal Place of Business. The principal business office of the company shall be located at [ADDRESS] (the "*Initial Site*"). "

1.5 Section 5.01(g)(ii)(9) is hereby amended to remove "; or" and replace it with "." and Section 5.01(g)(ii)(10) is hereby removed in its entirety.

1.6 The first two sentences of Section 5.01(h)(ii) of the Existing Agreement are hereby removed in their entirety and replaced with the following:

"(ii) "Without limiting the generality of the foregoing, the Board hereby establishes an Investment Committee of the Board (the "*Investment Committee*"), which shall initially consist of four members: two (2) designated by Nokia Member, one (1) designated by Celesta Member, and one (1) to be the then-serving Chief Executive Officer of the Company. Any action to be taken or recommendation to be made by the Investment Committee shall require the authorization and approval of a majority of the members of the Investment Committee."

1.7 Section 5.03(a) of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"(a) CEO Manager. The Company shall have an administrative manager, which shall be the CEO Manager. The CEO Manager shall serve as the sole administrative manager of the Company and shall have the authority and obligations set forth herein, which shall include, without limitation, evaluating Nokia IP and New Jersey Academic Partner IP, overseeing the development of prototypes with respect to Identified Technologies, assessing the feasibility of forming Participant Companies to commercialize such Identified Technologies and other administrative functions as set forth herein. The removal and replacement of the CEO Manager shall be subject to the same terms and conditions of removal as set forth in Section 5.01(b)(v)."

1.8 All references in the Existing Agreement to the "Administrative Manager" are hereby removed in their entirety and replaced with "CEO Manager".

1.9 The first sentence of Section 5.04(c) of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"(c) Meetings. Meetings of the Members may be called by any Member."

1.10 Section 5.05(d) of the Existing Agreement is hereby amended to replace the reference to $15,000,000 with $9,000,000.

1.11 Section 6.02 of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"6.02 Nokia Capital Commitment. The aggregate amount of the Nokia Member's total Capital Contributions to the Company shall be Seven Million Dollars ($7,000,000) (the "*Nokia Capital Commitment*") subject to the terms of this Agreement. Three Million Five Hundred Thousand Dollars ($3,500,000) of the Nokia Capital Commitment (the "*Nokia Operations Commitment*") is designated for the uses and in the amounts set forth in the Approved Annual Operating Budget, of which Two Million Dollars ($2,000,000) has been funded to date and One Million Five Hundred Thousand Dollars ($1,500,000) may be called from time to time during the Program Operations Period. The remaining Three Million Five Hundred Thousand Dollars ($3,500,000) of the Nokia Capital Commitment (the "*Nokia Investment Commitment*") may be called from time to time upon the recommendation of the Investment Committee during the Investment Period to finance the Company's investments into Participant Companies pursuant to the terms of this Agreement."

1.12 A new Section 6.02A is hereby added to the Existing Agreement following Section 6.02 (as amended by Section 1.6 above):

"6.02A Celesta Member Capital Commitment. Celesta Member agrees to make Capital Contributions to the Company in the aggregate amount of Two Million Dollars ($2,000,000) (the "*Celesta Capital Commitment*") subject to the terms of this Agreement. One Million Dollars ($1,000,000) of the Celesta Capital Commitment (the "*Celesta Operations Commitment*") may be called from time to time during the Program Operations Period in the amounts, and for the uses, set forth in the Approved Annual Operating Budget. The remaining One Million Dollars ($1,000,000) of the Celesta Capital Commitment (the "*Celesta Investment Commitment*") may be called from time to time upon the recommendation of the Investment Committee during the Investment Period to finance the Company's investments into Participant Companies pursuant to the terms of this Agreement."

1.13 Section 6.03 of the Existing Agreement is hereby removed in its entirety and replaced with the following:

APPENDIX A

"6.03 NJEDA Capital Commitment. The aggregate amount of the NJEDA Member's total Capital Contributions to the Company shall be Nine Million Dollars ($9,000,000) (the "*NJEDA Capital Commitment*," and together with the Nokia Capital Commitment and the Celesta Capital Commitment, each a "*Capital Commitment*") subject to the terms of this Agreement. Four Million Five Hundred Thousand Dollars ($4,500,000) of the NJEDA Capital Commitment (the "*NJEDA Operations Commitment*" and together with the Nokia Operations Commitment and the Celesta Operations Commitment, the "*Operations Commitment*") is designated for the uses and in the amounts set forth in the Approved Annual Operating Budget, of which One Million Dollars ($1,000,000) has been funded to date and Three Million Five Hundred Thousand Dollars ($3,500,000) may be called from time to time during the Program Operations Period. The remaining Four Million Five Hundred Thousand Dollars ($4,500,000) of the NJEDA Capital Commitment (the "*NJEDA Investment Commitment*" and together with the Nokia Investment Commitment and the Celesta Investment Commitment, the "*Investment Commitment*") may be called from time to time upon the recommendation of the Investment Committee during the Investment Period to finance the Company's investments into Participant Companies pursuant to the terms of this Agreement. Under no circumstances will the NJEDA Member be required to make Capital Contributions in excess of the NJEDA Capital Commitment."

1.14 Section 6.04 of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"6.04 Operations Capital Calls. At least fifteen (15) days' prior to the required funding date, the CEO Manager shall deliver written notices (each, a "*Capital Call Notice*") to the Members calling for each Member to fund a portion of its applicable Operations Commitment (each, an "*Operations Capital Call*") consistent with the amounts set forth in the Approved Annual Operating Budget (each, an "*Operations Capital Contribution*"), which notice shall include what operations such Operations Capital Contribution shall fund and over what period of time. It is intended that the initial Operations Capital Call will be called by the CEO Manager on or around the date hereof in the total amount of $750,000 ("*Initial Operations Capital Call*"). The CEO Manager will make Operations Capital Calls in the amount of $375,000 every three months thereafter, while maintaining a minimum cash reserve of no less than $375,000 (the "Reserve"). The Reserve is expected to be fully utilized during the final fiscal quarter of the Program Operations Period. As of the Amendment Date, each Member's obligation to fund any portion of any Operations Capital Call shall be calculated using the following percentages: (a) the NJEDA Operations Commitment shall be 58.33% of any Operations Capital Call; (b) the Nokia Operations Commitment shall be 25% of any Operations Capital Call; and (c) the Celesta Operations Commitment shall be 16.67% of any Operations Capital Call; provided that if the Investment Period is suspended pursuant to Section 7.05 or the Company is dissolved or terminated pursuant to Article XIII, the NJEDA Member may, in its sole discretion, be relieved of its obligation to fund its outstanding NJEDA Operations Commitment."

1.15 Section 6.05 of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"6.05 Investment Capital Calls. Upon the recommendation of the Investment Committee during the Investment Period and at least fifteen (15) days' prior to the required funding date, the CEO Manager shall deliver a Capital Call Notice to the Members requiring each Member to fund a portion of its applicable Investment Commitment (each, an "*Investment Capital Call*" and together with each Operations Capital Call, the "*Capital Calls*") in connection with the financing by the Company of a Participant Company (each, an "*Investment Capital Contribution*"). Each

Member shall fund the applicable amounts set forth in any Capital Call Notice on or prior to the date set forth therein provided that:

(i) the NJEDA Investment Commitment shall be called in increments of no less than One Hundred Thousand Dollars ($100,000); and

(ii) As of the Amendment Date, each Member's obligation to fund any portion of any Investment Capital Call shall be calculated using the following percentages: (a) the NJEDA Investment Commitment shall be 50% of any Investment Capital Call; (b) the Nokia Investment Commitment shall be 39% of any Investment Capital Call; and (c) the Celesta Investment Commitment shall be 11% of any Investment Capital Call."

1.16 Section 6.06 of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"6.06 Capital Call Default. Upon a failure by any Member to contribute the full amount, when due, of any Operations Commitment or Investment Commitment pursuant to Sections 6.04 and 6.05, respectively (a "*Capital Call Default*"), such defaulting Member (a "*Defaulting Member*") shall, at the written election of the other Members at least fifteen (15) days after the date of the applicable Capital Call Default (so long as the Defaulting Member has not yet cured the applicable Capital Default), automatically forfeit, without payment of any consideration, a portion of such Defaulting Member's Units or Unit Equivalents equal to the product of (a)(i) the amount of the Operations Commitment and/or Investment Commitment that the Defaulting Member failed to fund, divided by (ii) the total amount of such Member's Operations Commitment and/or Investment Commitment for any such Capital Call, multiplied by (b) the aggregate number of Units then held by such Defaulting Member and its Affiliates. The Company shall promptly update Exhibit B hereto to reflect any such forfeiture. The Defaulting Member shall promptly execute and deliver any documentation that is reasonably requested by the other Members to reflect such forfeiture. The remedies set forth in this Section 6.06 are not exclusive and shall not be deemed to limit any Member's remedies in any way in connection with an Uncured Material breach by another Member."

1.17 Section 7.01(a)(ii) of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"(ii) the Nokia Member may require that the Company, the NJEDA Member (subject to the terms of the Side Letter) and the Celesta Member execute additional confidentiality agreements or otherwise agree to other reasonable terms and conditions as requested by the Nokia Member prior to the Company, the NJEDA Member and/or the Celesta Member receiving access to such Nokia IP pursuant to the terms hereof."

1.18 Section 7.02(d) of the Existing Agreement is hereby removed in its entirety and replaced with the following:

"(d) The Company and the CEO Manager shall use commercially reasonable efforts to facilitate the formation of four (4) Participant Companies during the each of the second (2nd) and third (3rd) years of the Program Operations Period, and five (5) Participant Companies during each of the fourth (4th) and fifth (5th) years of the Program Operations Period, unless otherwise approved by the Board.

APPENDIX A

1.19 Section 7.02(e) of the Existing Agreement is hereby removed in its entirety and replaced with the following:

> "(e) Subject to Majority Approval, the Company shall form an incentive equity plan for the issuance of equity awards to members of the Company's management team."

1.20 Section 7.05(b) of the Existing Agreement is hereby amended to replace the reference to "neither Member" with "no Member".

1.21 Section 8.05 of the Existing Agreement is hereby removed in its entirety and replaced with "Intentionally Omitted."

1.22 Section 8.07 of the Existing Agreement is hereby removed in its entirety.

1.23 Section 13.03 of the Existing Agreement is hereby amended to replace the references to "the Nokia Member" with "the other Members."

1.24 Exhibit A of the Existing Agreement is hereby removed in its entirety and replaced with Exhibit A attached hereto.

1.25 Exhibit B of the Existing Agreement is hereby removed in its entirety and replaced with Exhibit B attached hereto.

1.26 Exhibit C of the Existing Agreement is hereby removed in its entirety and replaced with Exhibit C attached hereto.

1.27 Exhibit D of the Existing Agreement is hereby removed in its entirety and replaced with "Intentionally Omitted."

1.28 Exhibit F of the Existing Agreement is hereby removed in its entirety and replaced with "Intentionally Omitted."

2. No Further Amendments; Agreement References. Except for the amendments expressly set forth in this Amendment, the Existing Agreement shall remain unchanged and in full force and effect. The amendments set forth in this Amendment will be deemed effective as of the Amendment Date. On and after the Amendment Date, each reference in the Existing Agreement to "this Agreement," "hereunder," "hereof," "herein," or other words of like import, and each reference to the Existing Agreement in any other agreements, documents, or instruments executed or delivered pursuant to, or in connection with, the Existing Agreement or this Amendment will mean and be a reference to the Existing Agreement as amended by the Side Letter and this Amendment.

3. Governing Law/ Jurisdiction / Dispute Resolution . The governing law, jurisdiction and dispute resolution provisions governing this Amendment shall be the same as those provisions in the Existing Agreement as if such provisions were incorporated into this Amendment.

4. Titles and Subtitles. The titles and subtitles used in this Amendment are used for convenience only and are not to be considered in construing or interpreting this Amendment.

5. Counterparts. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature

complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[Signature pages follow.]

IN WITNESS WHEREOF, the undersigned has caused this Amendment to be duly executed and delivered by its proper and duly authorized officer as of the above date.

NOKIA OF AMERICA CORPORATION

By:_______________________________________
Name:
Title:

By:_______________________________________
Name:
Title:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

By:_______________________________________
Name:
Title:

CELESTA CAPITAL V-N, L.P.

By:_______________________________________
Name:
Title:

APPENDIX A

EXHIBIT A

MEMBERSHIP LISTING

Member	Address
New Jersey Economic Development Authority, Attention: Kathleen Coviello, John Wisniewski, Sara Cadeddu, Tim Rollender and Ram Akella	36 W. State Street Trenton, New Jersey 08608 Email: tim.rollender@njeda.gov John.Wisniewski@njeda.gov Sara.Cadeddu@njeda.gov ram.akella@njeda.gov kathleen.coviello@njeda.gov
Nokia of America Corporation Attention: Konstanty Owczarek Ingrid Viitanen	600 Mountain Avenue New Providence, NJ 07974 Email: konstanty.owczarek@nokia.com Ingrid.viitanen@nokia.com
Celesta Capital V-N, L.P. Attention: Matt Marsh, Riddhi Daftary	1850 Gateway Drive, Suite 450 San Mateo, CA 94404 United States Email: marsh@celesta.vc riddhi@celesta.vc

EXHIBIT B

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS; PERCENTAGE INTEREST; UNITS

Member	Capital Contributions	Capital Account	Capital Commitment	Total Percentage Interest	Units
Nokia of America Corporation	$2,000,000		$7,000,000	39%	390,000
New Jersey Economic Development Authority	$1,000,000		$9,000,000	50%	500,000
Celesta Capital V-N, L.P.	-		$2,000,000	11%	110,000
				100%	1,000,000

EXHIBIT C

UPDATED ANNUAL OPERATING BUDGET

		YR 2025	YR 2026	YR 2027	YR 2028	YR 2029	Total 5 Yrs
Target Company Creations ($500K/NewCo)			4	4	5	5	18
Studio Operating Expenses							
Headcount Payroll, Benefits		$500,000	$1,150,000	$1,150,000	$1,150,000	$1,150,000	$5,100,000
Payroll Taxes (estimate 24%)		$125,000	$125,000	$125,000	$125,000	$125,000	$625,000
Misc Operation Expenditures		$200,000	$225,000	$225,000	$225,000	$225,000	$1,100,000
General & Administrative		$175,000					$175,000
Nokia In Kind Contribution		$2,000,000					$2,000,000
Total Operating Expenses		$3,000,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$9,000,000
	Per Company						
Pre Company Setup	$100,000		$400,000	$400,000	$500,000	$500,000	$1,800,000
Vendor/Supplier Expenses	$100,000		$400,000	$400,000	$500,000	$500,000	$1,800,000
IT/SW Equipments	$100,000		$400,000	$400,000	$500,000	$500,000	$1,800,000
Company Funding	$200,000		$800,000	$800,000	$1,000,000	$1,000,000	$3,600,000
Total Pre-Seed Ventures	$500,000		$2,000,000	$2,000,000	$2,500,000	$2,500,000	$9,000,000

Execution Version

LIMITED LIABILITY COMPANY AGREEMENT

OF

NEW JERSEY BELL LABS VENTURE STUDIO, LLC

A NEW JERSEY LIMITED LIABILITY COMPANY

Adopted as of June 30, 2025

LIMITED LIABILITY COMPANY AGREEMENT

OF

New Jersey Bell Labs Venture Studio, LLC

(A New Jersey Limited Liability Company)

This Limited Liability Company Agreement, effective as June 30, 2025 (the "*Effective Date*"), of New Jersey Bell Labs Venture Studio, LLC, a New Jersey limited liability company (the "*Company*"), is hereby entered into by the Members of the Company. Capitalized terms shall have their respective meanings set forth in Article I unless otherwise defined.

WHEREAS, the Company has been formed in accordance with the requirements of the Act;

WHEREAS, the Company has been formed to engage in (a) the evaluation of certain intellectual property assets related to the Focus, (b) the formation, support and financing of one or more Participant Companies developing or operating businesses related to the Focus, (c) promotion of ecosystem engagement related to the Focus, and (d) all other activities and transactions as are incidental to the foregoing (items (a) through (d), collectively, the "*Business*").

WHEREAS, the Members and the Company desire to continue the operation of the Company and to allow for the admission of additional Members in accordance with the terms of this Agreement and the Side Letter.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby enter into this Agreement as follows:

ARTICLE I

Definitions

1.01 Definitions. The following terms used in this Agreement shall have the following meanings (unless otherwise expressly provided herein):

(a) "*Act*" shall mean the New Jersey Revised Uniform Limited Liability Company Act (N.J.S.A. 42:2C-1 *et. seq*.).

(b) "*Administrative Manager*" shall have the meaning set forth in Section 5.03(a).

(c) "*Advisory Board*" shall have the meaning set forth in Section 8.08.

(d) "*Affiliate*" shall mean, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person.

(e) "*Agreement*" shall mean this Limited Liability Company Agreement as originally executed and as further amended and/or restated from time to time in accordance with its terms.

(f) "*Alternative Site*" shall have the meaning set forth in Section 8.07(a).

(g) "*Approved Annual Operating Budget*" shall have the meaning set forth in Section 8.04.

(h) "*Applicable Law*" means all applicable laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of any federal, national, multinational, state, provincial, county, city or other political subdivision.

(i) "*Board*" shall mean the Board of Managers of the Company, as constituted from time to time pursuant to the terms of this Agreement.

(j) *"Book Value"* of an asset shall mean, as of any particular date, the value at which the asset is properly reflected on the books of the Company as of such date.

(k) "*Budget*" shall have the meaning set forth in Section 8.04.

(l) "*Business*" shall have the meaning set forth in the Recitals.

(m) "*Capital Account*" shall mean the capital account established and maintained for each Member pursuant to Section 6.07.

(n) "*Capital Contribution*" shall mean any contribution (or deemed contribution) to the capital of the Company in cash or property by a Member whenever made.

(o) "*Capital Call Default*" shall have the meaning set forth in Section 6.06.

(p) "*Capital Call Notice*" shall have the meaning set forth in Section 6.04.

(q) "*Capital Commitment*" shall have the meaning set forth in Section 6.03.

(r) "*CEO Manager*" shall have the meaning set forth in Section 5.01(b)(iii).

(s) "*Certificate of Formation*" shall mean the Certificate of Formation of the Company as filed with the New Jersey Division of Revenue, as the same may be amended from time to time.

(t) "*Code*" and "*I.R.C.*" shall mean the Internal Revenue Code of 1986, as amended from time to time, including corresponding provisions of succeeding law.

(u) "*Company*" shall mean New Jersey Bell Labs Venture Studio, LLC, a New Jersey limited liability company.

(v) "*Company Minimum Gain*" shall have the meaning attributable to "partnership minimum gain" pursuant to Regulations Sections 1.704-2(b)(2) and 1.704-2(d)..

(w) "*Concentration Cap*" shall have the meaning set forth in Section 7.04(b).

(x) "*Confidential Information*" shall have the meaning set forth in Section 9.01.

(y) "*Covered Persons*" shall have the meaning set forth in Section 5.08.

(z) "*Defaulting Member*" shall have the meaning set forth in Section 6.06.

(aa) "*Definitive Agreements*" shall mean this Agreement, the Services Agreement and the Side Letter.

(bb) "*Depreciation*" means, for each Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Fiscal Year or other period; provided, however, that except as may be required by Regulations Section 1.704-3(d), if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction with respect to such asset for such Fiscal Year or other period bears to such beginning adjusted tax basis; and provided further that, if the federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Partnership Representative.

(cc) "*Disclosing Party*" shall have the meaning set forth in Section 9.01.

(dd) "*Distributable Cash*" means, at any given time, the cash available for distribution to the Members computed after payment of any costs and expenses of the Company which are due and payable, less the portion thereof used to pay or establish Reserves.

(ee) "*Effective Date*" shall have the meaning set forth in the Preamble.

(ff) "*Entity*" shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, committee, cooperative or association, or any foreign trust, or foreign business organization.

(gg) "*Excluded Opportunity*" shall have the meaning set forth in Section 5.08.

(hh) "*Fair Market Value*" shall mean the value as determined by the Board in good faith using such reasonable method of valuation as the Board may adopt.

(ii) "*Fiscal Year*" means the calendar year.

(jj) "*Focus*" means deep technology across high-impact industry verticals identified by the Members from time to time, including, without limitation, microelectronics, artificial intelligence, advanced manufacturing, computing, information technology and NextGen communications.

(kk) "*Future Site*" shall have the meaning set forth in Section 8.07(a).

(ll) "*GAAP*" shall have the meaning set forth in Section 8.03(a).

(mm) "*Gross Asset Value*" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset as determined by the Board;

(ii) The Gross Asset Values of all Company assets shall be adjusted to equal their respective fair market values, as reasonably determined by the Board, as of the following times: (w) the acquisition of any additional interests in the Company by any new or existing Member in exchange for more than a *de minimis* Capital Contribution, (x) the Distribution by the Company to a Member of more than a *de minimis* amount of Company assets as consideration for an interest in the Company, (y) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), and (z) such other time specified in Regulations Section 1.704-1(b)(2)(iv)(f); provided, however, that the adjustments pursuant to clauses (w), (x), and (z) above shall be made only if the Board determines, in its reasonable discretion, that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(iii) The Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution, as determined by the Board; and

(iv) If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraph (i), (ii) or (iii), such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset.

(nn) "*Identified Technology*" shall have the meaning set forth in Section 7.01(c).

(oo) "*Improvements*" means each invention that is discovered, conceived, invented or developed during the Term in connection with the evaluation and development activities contemplated by Article 7 of this Agreement and that is derived from the Nokia Background IP.

(pp) "*Indemnitees*" shall have the meaning set forth in Section 13.03(a).

(qq) "*Independent Manager*" shall have the meaning set forth in Section 5.01(b)(iv).

(rr) "*Initial Site*" shall have the meaning set forth in Section 2.03.

(ss) "*Initial Technologies*" shall have the meaning set forth in Section 7.01(b).

(tt) "*Intellectual Property Rights*" means all intellectual property rights, whether registered or unregistered, that are recognized in any jurisdiction of the world, including such rights in patents, utility models, trademarks and tradenames, copyrights and trade secrets, (and any registrations of or applications to register any of the foregoing).

(uu) "*Investment Capital Contribution*" shall have the meaning set forth in Section 6.05.

(vv) "*Investment Committee*" shall have the meaning set forth in Section 5.01(h)(ii).

(ww) "*Investment Commitment*" shall have the meaning set forth in Section 6.03.

(xx) "*Investment Period*" shall have the meaning set forth in Section 7.04(a).

(yy) "*Losses*" means any liabilities, claims (including, without limitation, claims for compensation or in connection with death or personal injury, expenses (including reasonable and document out-of-pocket attorneys' fees and expenses), and damages, excluding, in each case, any damages measured by lost profits or a multiple of earnings or any punitive, exemplary, special, indirect, consequential or similar damages.

(zz) "*Majority Approval*" means the approval by a majority of the then-serving Managers (i) present, in person or by proxy, at any duly called meeting of the Board at which a Quorum is present or (ii) acting by written consent pursuant to Section 5.01(g)(iii).

(aaa) "*Manager*" shall have the meaning set forth in Section 5.01(b).

(bbb) "*Material Adverse Effect*" means a material adverse effect on the business, assets, liabilities, financial condition or results of operations of the Company or the NJEDA Member (solely in its capacity as such), as applicable.

(ccc) "*Material Breach*" means, with respect to a Person (including without limitation the Investment Committee, any member of the Investment Committee or the Administrative Manager), such Person's (i) breach of such Person's obligations under this Agreement or any Definitive Agreement, in each case, that results in a Material Adverse Effect, (ii) conviction for fraud, gross negligence, willful misconduct, or violations of securities laws, (iii) becoming a Defaulting Member pursuant to Section 6.06, or (iv) becoming the subject matter of any proceeding relating to its bankruptcy, insolvency, receivership, liquidation, dissolution, winding up or entering into a plan of arrangement or similar agreement with creditors.

(ddd) "*Member*" shall mean each of the parties who execute a counterpart signature page to this Agreement as a Member and each of the parties who may hereafter become a Member pursuant to the terms hereof.

(eee) "*Member Minimum Gain*" shall have the meaning attributable to "partner nonrecourse debt minimum gain" as defined under Regulations Section 1.704-2(i)(2).

(fff) "*Member Nonrecourse Deductions*" shall have the meaning attributable to "partner nonrecourse deductions" as defined in Regulations Sections 1.704-2(i)(1) and 1.704-2(i)(2).

(ggg) "*Modified Capital Account*" means, for each Member, such Member's aggregate Capital Account balance increased by such Member's share of Company Minimum Gain and Member Minimum Gain (as determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5), respectively).

(hhh) "*MOU*" shall have the meaning set forth in Section 8.06(a).

(iii) "*Net Profits*" and "*Net Losses*" mean, for each Fiscal Year, an amount equal to the Company's taxable income or loss for such Fiscal Year, as applicable, determined in accordance with Section 703(a) of the Code (but including in taxable income or loss, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code), with the following adjustments:

(i) any income of the Company exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition shall be added to such taxable income or loss;

(ii) any expenditures of the Company described in Section 705(a)(2)(B) of the Code (or treated as expenditures described in Section 705(a)(2)(B) of the Code pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition shall be subtracted from such taxable income or loss;

(iii) in the event the Gross Asset Value of any asset of the Company is adjusted in accordance with paragraph (ii) or paragraph (iii) of the definition of “Gross Asset Value” above, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Profits or Net Losses;

(iv) gain or loss resulting from any disposition of any asset of the Company with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the asset disposed of, notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value;

(v) in lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period, computed in accordance with the definition of “Depreciation” above;

(vi) the amount of any adjustment to the Gross Asset Value of any Company asset pursuant to Section 734(b) or Section 743(b) of the Code that is required to be reflected in the Capital Accounts of the Members pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) shall be treated as an item of gain (if the adjustment is positive) or loss (if the adjustment is negative), and only such amount of the adjustment shall thereafter be taken into account in computing items of income and deduction; and

(vii) any items which are specially allocated pursuant to Section 10.02 shall not be taken into account in computing Net Profits or Net Losses.

The amounts of the items of Company income, gain, loss or deduction available to be specially allocated pursuant to Section 10.02 shall be determined by applying rules analogous to those set forth in subparagraphs (i) through (v) above.

(jjj) "*New Jersey Academic Partner*" shall have the meaning set forth in Section 8.06(a).

(kkk) “*New Jersey Academic Partner IP*” means Intellectual Property Rights and technologies within the Focus that are owned or controlled by a New Jersey Academic Partner (together with all know-how of the New Jersey Academic Partner relating thereto) and are made available by such New Jersey Academic Partner for licensing to the Company or a Participant Company.

(lll) “*New Jersey Presence Requirements*” shall have the meaning set forth in Section 7.02(b)

(mmm)“*NJ Startup Matters*” shall have the meaning set forth in Section 8.08.

(nnn) "*NJEDA Capital Commitment*" shall have the meaning set forth in Section 6.03.

(ooo) "*NJEDA Investment Commitment*" shall have the meaning set forth in Section 6.03.

(ppp) "*NJEDA Managers*" shall have the meaning set forth in Section 5.01(b)(ii).

(qqq) "*NJEDA Member*" means New Jersey Economic Development Authority, a body corporate and politic of the State of New Jersey.

(rrr) "*NJEDA Operations Commitment*" shall have the meaning set forth in Section 6.03.

(sss) "*Nokia Background IP*" means all Nokia IP (i) owned or controlled by the Nokia Member or its Affiliates prior to the Effective Date or (ii) developed or acquired by the Nokia Member or its Affiliates on or after the Effective Date other than in connection with the evaluation and development activities contemplated by Article 7 of this Agreement.

(ttt) "*Nokia Capital Commitment*" shall have the meaning set forth in Section 6.02.

(uuu) "*Nokia In-Kind Contributions*" shall have the meaning set forth in Section 6.02.

(vvv) "*Nokia Investment Commitment*" shall have the meaning set forth in Section 6.02.

(www) "*Nokia IP*" means Intellectual Property Rights and technologies within the Focus that are owned or controlled (including through a license) by the Nokia Member or its Affiliates (together with all know-how of the Nokia Member and its Affiliates relating thereto) and are made available by the Nokia Member or its Affiliates to the Company or a Participant Company.

(xxx) "*Nokia Manager*" shall have the meaning set forth in Section 5.01(b)(i).

(yyy) "*Nokia Member*" means Nokia of America Corporation, a Delaware corporation.

(zzz) "*Nokia Operations Commitment*" shall have the meaning set forth in Section 6.02.

(aaaa) "*Officer*" shall have the meaning set forth in Section 5.02(a).

(bbbb) "*Operations Capital Contribution*" shall have the meaning set forth in Section 6.04.

(cccc) "*Operations Commitment*" shall have the meaning set forth in Section 6.03.

(dddd) "*Participant Company*" shall have the meaning set forth in Section 7.02(a).

(eeee) *"Participant Company Leases*" shall have the meaning set forth in Section 8.07(b).

(ffff) *"Participant Company Space*" shall have the meaning set forth in Section 8.07(b).

(gggg) "*Partnership Representative*" shall have the meaning set forth in Section 5.06.

(hhhh) "*Percentage Interest*" shall mean, at any time of determination and with respect to any Member, a percentage derived by dividing (i) the number of issued and outstanding Units then held by such Member by (ii) the aggregate number of Units then issued and outstanding.

(iiii) "*Permitted Transfer*" shall have the meaning set forth in Section 11.01.

(jjjj) "*Person*" shall mean any individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of the "Person" when the context so permits.

(kkkk) "*Pre-Company Creation*" shall have the meaning set forth in Section 7.01(c).

(llll) "*Program Operations Period*" shall have the meaning set forth in Section 7.01(c).

(mmmm) "*Quorum*" shall have the meaning set forth in Section 5.01(e).

(nnnn) "*Receiving Party*" shall have the meaning set forth in Section 9.01.

(oooo) "*Redemption Price*" shall have the meaning set forth in Section 7.02(c).

(pppp) "*Regulations*" means pronouncements, as amended from time to time, or their successor pronouncements, which clarify, interpret and apply the provisions of the Code, and which are designated as "*Treasury Regulations*" by the United States Department of the Treasury.

(qqqq) "*Regulatory Allocations*" shall have the meaning set forth in Section 10.02(h).

(rrrr) "*Representative*" shall have the meaning set forth in Section 9.03.

(ssss) "*Reserves*" shall mean, for any taxable year, funds set aside or amounts allocated during such period to reserves that shall be maintained in amounts deemed sufficient by the Board for working capital and to pay taxes, insurance, debt service, capital improvements, replacements, contingencies and other costs and expenses incident to the ownership or operation of the Company's business.

(tttt) "*Revised Partnership Audit Procedures*" means Subchapter C of Chapter 63 of Subtitle F of the Code, as modified by Section 1101 of the Bipartisan Budget Act of 2015, Public Law Number 114-74 and any successor statute thereto or Treasury Regulations promulgated or official guidance issued thereunder (or any comparable provision of foreign, state, or local income tax laws, and any corresponding or similar provision of any succeeding income tax law).

(uuuu) "*Sale Transaction*" shall mean (i) a transaction or series of related transactions in which a Person, or a group of related other Persons and/or their Affiliates, acquires from the Members, Units representing more than fifty percent (50%) of the outstanding Units and/or Unit Equivalents of the Company; (ii) a merger or consolidation in which the Company is a constituent party, except any such merger or consolidation involving the Company in which the Units and Unit Equivalents outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for equity that represents, immediately following such merger or consolidation, at least a majority of the outstanding equity of the surviving or resulting entity; or (iii) the sale, lease, transfer, assignment, exclusive license or other disposition, in a single transaction or series of related transactions, by the Company or any Subsidiary of the Company of all or substantially all the assets of the Company and its Subsidiaries taken as a whole.

(vvvv) "*sell*" and "*sale*" shall have the meanings set forth in Section 11.01.

(wwww) "*Services Agreement*" shall have the meaning set forth in Section 8.05.

(xxxx) "*Side Letter*" shall mean the Side Letter dated the Effective Date between the Nokia Member and the NJEDA Member.

(yyyy) "*Site*" shall have the meaning set forth in Section 8.07(a).

(zzzz) "*Subsidiary*" shall mean, with respect to any Person, any corporation, partnership, joint venture, limited liability company, association, or other Entity (excluding, with respect to the Company and its Subsidiaries, each Participant Company and its respective subsidiaries) in which such Person owns, directly or indirectly, fifty percent (50%) or more of the outstanding equity securities or interests, the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such Entity.

(aaaaa) "*Suspension Period*" have the meaning set forth in Section 7.05(b).

(bbbbb) "*Uncured Material Breach*" shall mean that (i) a Material Breach shall have occurred, (ii) the Nokia Member and/or the NJEDA Member, as applicable, have sent written notice to the breaching Person of the occurrence of such Material Breach, and

(iii) the breaching Person shall have failed to cure the Material Breach (if susceptible to cure) within 90 days of delivery of the notice referenced in clause (ii).

(ccccc) "*Unit*" shall have the meaning set forth in Section 4.03.

(ddddd) "*Unit Equivalent*" shall mean any security or obligation that is by its terms, directly or indirectly, convertible into, exchangeable or exercisable for Units, including any option, convertible debt, warrant or other right to subscribe for, purchase or acquire Units that are then or may in the future become convertible, exchangeable or exercisable.

(eeeee) "*Unreturned Capital Amount*" means, with respect to each Member, the aggregate amount of Capital Contributions as of a date of determination minus all distributions made by the Company after the Effective Date to such Member pursuant to Section 10.03(a)(i).

ARTICLE II

Formation and Continuation of Company

2.01 Formation and Continuation. The Company has been formed pursuant to the requirements of the Act with the filing of its Certificate of Formation conforming to the requirements of the Act with the New Jersey Department of Treasury, Division of Revenue in the State of New Jersey on June 30, 2025. The Members hereby agree to continue to operate the Company pursuant to the Definitive Agreements for the purposes and upon the terms and conditions hereinafter set forth. The Board is authorized to file with such authorities any and all amendments to the Certificate of Formation as may be required under the Act.

2.02 Name. The Company shall conduct its activities under the name "New Jersey Bell Labs Venture Studio, LLC".

2.03 Principal Place of Business. The principal business office of the Company shall be located at 600 Mountain Avenue, New Providence, New Jersey (the "*Initial Site*"). The Company may locate its place of business and registered office at any other place or places as the Board may from time to time deem advisable, consistent with Section 8.07.

2.04 Registered Agent and Registered Office. The name of the Company's registered agent is Corporation Service Company. The address of the registered office of the Company in the State of New Jersey is Princeton South Corporate Ctr, Ste 160, 100 Charles Ewing Blvd, Ewing, New Jersey 08628.

2.05 Term. The Company shall have perpetual existence, unless sooner dissolved as hereinafter provided.

ARTICLE III

Business of the Company

3.01 Purposes and Powers. The purpose of the Company shall be to engage in the Business and any lawful business reasonably related thereto which is permitted under the Act and other Applicable Law. The Company and the Board, the Administrative Manager and the Officers (in each case, on behalf of the Company) shall have and exercise the power to do any and all acts and things necessary, appropriate, advisable, suitable or convenient for the furtherance and accomplishment of the purposes of the Company, including, without limitation, to engage in any kind of activity, and to enter into and perform obligations and agreements of any kind, necessary to, in connection with, or incidental to the accomplishment of the purposes of the Company, so long as said activities and obligations may be lawfully engaged in or performed by a limited liability company under the Act and are permitted by and in accordance with this Agreement and the Side Letter.

3.02 No State-Law Partnership. The Members intend that the Company shall not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member be an agent, partner or joint venturer of any other Member, for any purposes other than as a partnership for federal and state tax purposes, and this Agreement shall not be construed to suggest otherwise.

3.03 Separate Legal Existence; Limited Liability. The Company shall do all things necessary to maintain its limited liability company existence separate and apart from each Member and any Affiliate of any Member, including holding regular meetings of the Board and maintaining its books and records on a current basis separate from that of any Member or Affiliate of a Member, and shall not commingle the Company's assets with those of any Member, Affiliate of a Member, or any other Person. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and none of the Members, Managers, Officers, employees or agents of the Company shall be obligated personally for any such debt, obligation or liability of the Company unless explicitly obligated under the terms of this Agreement or the Side Letter.

ARTICLE IV

Members; Units; Percentage Interest

4.01 Members. The mailing addresses and notice information of the Members as of the Effective Date are set forth on Exhibit A hereto. The initial Capital Contributions, Capital Accounts and Percentage Interests of the Members, and the number of Units held by the Members, in each case, as of the Effective Date, are set forth on Exhibit B hereto.

4.02 Additional Members. The Company shall admit such additional Members as shall be determined from time to time pursuant to Article IX of this Agreement.

4.03 Units. The limited liability company interests of the Members shall be represented by issued and outstanding units (each, a "*Unit*"). Each Unit shall, for all purposes, be deemed personal property. Units shall have the rights and preferences in the assets and management of the Company as provided herein. The Units represent a Member's ownership interest in the Company, including its Capital Account, allocations, information, the right to participate in the management of the business and affairs of the Company and any and all other rights, powers and benefits accorded to a Member under this Agreement and the Side Letter, and such Member's duties and obligations hereunder. The Members shall be entitled to vote on the matters set forth in this Agreement based on the number of Units held by such Member in relation to the total number of Units then outstanding.

ARTICLE V

Management

5.01 Board.

(a) Powers of the Board. Subject to the express limitations contained in any provision of this Agreement and the Side Letter, the management of the business and affairs of the Company shall be controlled by the Board. The members of the Board shall constitute the Company's managers for purposes of the Act and other Applicable Law. The Board shall have all powers necessary, convenient or appropriate for carrying out the purposes and business of the Company, and in conjunction therewith, except as otherwise set forth herein, the Board may appoint, contract or otherwise deal with any Person to perform any acts or services for the Company as it may determine, and as provided in Section 5.02 may delegate administrative or other powers under this Agreement. No Member, by virtue of having the status of a Member, shall have any management power over the business and affairs of the Company or actual or apparent authority to enter into contracts on behalf of, or to otherwise bind, the Company except as otherwise set forth in this Agreement.

(b) Appointment and Removal of Managers. The Board shall initially comprise five (5) natural Persons (each, a "*Manager*"). Each Member hereby agrees to take all action necessary to appoint, elect, ratify, and confirm the appointment of Managers as follows:

(i) One (1) Manager (the "*Nokia Manager*") shall be appointed by the Nokia Member, for so long as it (together with its Affiliates) holds at least 50% of the Units held by it as of the Effective Date, who shall initially be Chris Jones.

(ii) Two (2) Managers (the "*NJEDA Managers*") shall be appointed by the NJEDA Member, for so long as it (together with its Affiliates) holds at least 50% of the Units held by it as of the Effective Date, who shall initially be Kathleen Coviello and Ram Akella.

(iii) One (1) Manager (the "*CEO Manager*") shall be the then-serving Chief Executive Officer of the Company who shall initially be Mike Chen.

(iv) One (1) Manager (the "*Independent Manager*") shall be appointed by majority vote of the then-seated Managers other than the Independent Manager, which shall initially be vacant.

(v) Each Manager shall hold office until the earlier to occur of his/her inability to act in such capacity or his/her resignation or removal from such office in accordance with the terms of this Agreement. Any Manager may be removed as a Manager at any time, with or without cause, only at the direction and with the consent of the Member or Members who designated such Manager (or, in the case of each Independent Manager, majority vote of the then-seated Managers other than the Independent Manager). If any Manager shall die, resign, be removed or otherwise cease to be a Manager, the Member or Members who designated such Manager (or, in the case of each Independent Manager, a majority of the then-seated Managers other than the Independent Manager) shall designate a replacement or successor Manager, and the Members hereby agree to take all action necessary to appoint, elect, ratify and confirm such replacement or successor as a Manager.

(c) Proxy Grant; Alternate Managers. Each Manager shall have the right to grant a proxy, by executing a signed instrument, directing another Manager to vote on his/her behalf in his/her absence in connection with any meeting of or action taken by the Board. Each Member shall also have the right to designate one or more Persons to act as an alternate for the Manager that such Member has the right to designate and any such alternate shall act for, fulfill the obligations of and have all rights, privileges and responsibilities of such Manager (including the right to vote on behalf of such Manager) in the event that the Manager for which such Person has been designated as an alternate, is unable, and has not granted a proxy, to act at any meeting, or to take action, of the Board, and each such alternate so designated shall be treated as a "Manager" at any meeting where serving in such capacity. No Person designated an alternate may simultaneously serve as an alternate for multiple Managers or be granted (or exercise) multiple proxies, except that a Manager may be granted (and exercise) multiple proxies.

(d) Meetings of the Board. The Board shall hold at least one (1) meeting per calendar quarter, on a date and at a place decided by the Board. Additional meetings of the Board may be called by the Board or by the Nokia Member or the NJEDA Member on not less than ten (10) days' prior written notice of the date, time and place to each Manager and a description, in reasonable detail, of the agenda for such meeting. Attendance at a meeting by any Manager who does not object to proper notice at the meeting shall constitute waiver of such notice.

(e) Quorum. At all meetings of the Board, the presence of a majority of the then-serving Managers which must include the Nokia Manager and both NJEDA Managers, in person or by proxy, shall constitute a quorum (a "*Quorum*"). A Quorum must exist at all times of a meeting, including the reconvening of any meeting that has been adjourned, for any action taken at such meeting to be valid. Any and all Managers may participate in any Board meeting by, or through the use of, any means of communication by which all Managers participating and entitled to vote may simultaneously hear each other during the meeting. A Manager so participating is deemed to be present in person at the meeting. If a Quorum is not present, in person or by proxy, at any meeting of the Board, the Managers present at such meeting may adjourn the meeting without notice other than announcement at the meeting, until such time as a Quorum is present.

For the avoidance of doubt, there shall be no Quorum requirement with respect to any committee of the Board that is established pursuant to the terms hereof.

(f) Compensation of the Managers. No Manager shall be entitled to any compensation from the Company for services as a Manager, unless unanimously agreed to by the Board. Each Member shall be responsible for the expenses of its designated Managers to attend meetings of the Board and to otherwise fulfill his/her duties hereunder.

(g) Acts of the Board; Approval Requirements.

(i) General. Unless otherwise set forth in Section 5.01(g)(ii) or as otherwise set forth in this Agreement, in any instance in which the approval or consent of the Board is required under this Agreement, such approval or consent will require Majority Approval.

(ii) Matters Requiring Unanimous Board Consent. The Company shall not (and shall not cause or permit any of its Subsidiaries to) effect any of the following acts or transactions, either directly or indirectly by amendment, merger, consolidation or otherwise, without (in addition to any other consent or approval required by this Agreement) the unanimous approval of the Board (whether by resolution at a duly called meeting of the Board or by written consent, in each case, pursuant to the applicable terms of this Article V), and any such action undertaken without such approval shall be null and void *ab initio* and of no force or effect:

(1) incur any indebtedness for borrowed money, or any other material liability of the Company (which shall include fees and expenses of the Investment Committee) other than as included in the Approved Annual Operating Budget;

(2) change any material tax election or policy of the Company or its Subsidiaries;

(3) change the external auditors of the Company or its Subsidiaries, other than to (x) KPMG LLP, Deloitte LLP, PricewaterhouseCoopers LLP or Ernst & Young U.S. LLP (or their respective Affiliates), (y) an auditing firm then engaged by the Nokia Member or (z) a regionally recognized auditing firm with a major presence in New Jersey (as reasonably determined by the Nokia Member and the NJEDA Member);

(4) cease to conduct the Business, commence the conduct of a business other than the Business or any material change in the Business or any conduct of business outside of the Focus;

(5) remove the Administrative Manager or appoint a replacement Administrative Manager, in each case, except as set forth in Section 5.03(a);

(6) remove a member of the Investment Committee or appoint a replacement or additional member of the Investment Committee, in each case, except as set forth in Section 5.01(h)(ii);

(7) enter into, amend or terminate any Academic Partnership Agreement;

(8) appointment and replacement of the Chief Executive Officer, or other executive position, of the Company:

(9) approve the employment of any personnel directly by the Company; or

(10) upon any dissolution of the Investment Committee by the NJEDA Member in accordance with Section 5.01(h)(ii), appoint a third-party investment manager to exercise the authority delegated to the Investment Committee pursuant to the terms of this Agreement.

(iii) Written Consent. Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a consent in writing (which may be in counterparts) setting forth the action so taken shall be signed by those Managers that would have constituted a Quorum had a meeting taken place in person; provided that each Manager shall have been provided with a copy of the action to be taken and the consent before the action is to be taken with a reasonable opportunity to sign it.

(h) Committees.

(i) The Board may establish one (1) or more committees. The Board may delegate to any committee such power and authority as it may deem advisable, including the power and authority to take actions that shall not require any subsequent approval, ratification or confirmation by the Board prior to their becoming effective. Such committee(s) shall have such name(s) as may be determined from time to time by the Board. Each of the Nokia Manager and the NJEDA Managers shall have the right to be a member of any committee established by the Board (except as set forth in clause (ii) below with respect to the Investment Committee).

(ii) Without limiting the generality of the foregoing, the Board hereby establishes an Investment Committee of the Board (the "Investment Committee"). The Nokia Manager shall initially be the sole member of the Investment Committee, and the appointment of any other member of the Investment Committee shall be subject to the approval of the Nokia Member; provided, that in the event that the Nokia Manager resigns as the sole member of the Investment Committee, the Board may designate a replacement member of the Investment Committee by unanimous approval; and provided, further, that upon the occurrence of an Uncured Material Breach with respect to the Nokia Member, the NJEDA Member shall have the right to require the Board to dissolve the Investment Committee and to select a third party investment manager (subject to unanimous approval of the Board pursuant to Section 5.01(g)) to exercise the authority delegated to the Investment Committee pursuant to the terms of this Agreement. The Investment Committee shall have the authority to (w) recommend that the Company cause the formation of one or more Participant Companies or that the Company provide funding to one or more Participant Companies, (x) recommend that the Company call capital from the Capital Commitment pursuant to Article 6, (y) recommend that the Company enter into any other transaction with, or take any other action with respect to, a Participant Company, subject to the terms of this Agreement and (z) undertake all activities that are ancillary to the foregoing. The Investment Committee shall notify the Board of any recommendation pursuant to the foregoing sentence (which notice may be delivered by email), and any recommendation of the Investment Committee pursuant to the preceding sentence shall be binding upon the Company and its Members unless vetoed by the Board (by majority vote of the then-seated Managers that are not then serving on the Investment Committee) within three (3) days of the Investment Committee's delivery of notice to the Board of the applicable recommendation pursuant to this sentence. Any reference in this Agreement to a recommendation, determination or other action of the Investment Committee shall be construed in a manner that is consistent with this Section 5.01(h)(ii).

(i) Operations. The day-to-day operations of the Company shall be managed by the Officers of the Company appointed in accordance with Section 5.02, except as otherwise provided herein.

5.02 Officers.

(a) General. The Company shall have such officers, holding such titles, as may be designated by the Board from time to time, subject to the terms of this Agreement and the Side Letter (each, an "*Officer*"). Each Officer shall hold office for such term as determined by the Board and shall serve at the pleasure of the Board. Officers will serve at the pleasure of the Board and shall be agents of the Company. Any individual may hold any number of offices. The compensation, general areas of responsibility and specific administrative powers, duties and responsibilities of each Officer will be determined by the Board and may be revised from time to time; provided that the Board shall have the authority to take any actions it deems advisable to effectuate the day-to-day operations of the Company whether or not otherwise prescribed as a duty of an Officer. The initial Officers of the Company are set forth on Schedule A attached hereto.

(b) Removal and Resignation of Officers. Any Officer may be removed, either with or without cause, by the Board at any time. Any Officer may resign at any time by giving written notice to the Board. Any resignation will take effect on the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation will not be necessary to make it effective. Appointment as an Officer does not guarantee employment by the Company. Removal from a position as an Officer shall not affect an individual's rights or obligations under any contract of employment, unless otherwise provided therein.

5.03 Administrative Manager.

(a) Administrative Manager. The Company shall have an Administrative Manager (the "*Administrative Manager*"), which shall initially be the Nokia Member. The Administrative Manager shall serve as the sole administrative manager of the Company and shall have the authority and obligations set forth herein, which shall include, without limitation, evaluating Nokia IP and New Jersey Academic Partner IP, overseeing the development of prototypes with respect to Identified Technologies, assessing the feasibility of forming Participant Companies to commercialize such Identified Technologies and other administrative functions as further set forth in the Services Agreement and in each case, also as set forth herein. The Administrative Manager may only be removed with the unanimous consent of the Board pursuant to Section 5.01(g)(ii)(5), provided, that in the event of an Uncured Material Breach with respect to the Administrative Manager in its capacity as such, the NJEDA Member shall have the right to remove the Administrative Manager (subject to Majority Approval, which shall not be unreasonably withheld or delayed), in which case the Board, acting by Majority Approval, shall be entitled to appoint a replacement Administrative Manager; and provided, further, that the Administrative Manager may resign at any time by delivery of written notice to the Board (in which case a replacement Administrative Manager may be appointed only with the unanimous consent of the Board pursuant to Section 5.01(g)(ii)(6)).

5.04 Members.

(a) Rights and Powers. The management and control of the Company shall be vested in the Board and, except as may be otherwise expressly required by Law or any other provision of this Agreement or the Side Letter, Members shall not have any right or power to take part in the management or control of the Company or its Business or to act for or bind the Company in any way in their capacity as Members.

(b) Voting Rights. No Member has any voting right except with respect to those matters specifically reserved for a Member vote that are set forth in this Agreement, the Side Letter and as may otherwise be required under the Act. For the avoidance of doubt, a Person holding Units that has not been admitted as a Member in accordance with this Agreement shall have no voting rights with respect to its Units.

(c) Meetings. Meetings of the Members may be called by either the Nokia Member or the NJEDA Member. The call shall state the location of the meeting and the nature of the business to be transacted. Notice of any such meeting shall be given to all Members not less than five (5) calendar days or more than thirty (30) calendar days prior to the date of such meeting. Members may vote in person, by proxy, or by video conference at such meeting and may waive advance notice of such meeting. Whenever the vote or consent of Members is permitted or required under the Agreement or the Side Letter, such vote or consent may be given at a meeting of the Members or may be given in accordance with the procedure prescribed in this Section 5.04. Except as otherwise expressly provided in the Agreement or Side Letter, the consent of the Members holding at least a majority of all Units then outstanding, voting as a single class, shall be required to constitute the act of the Members.

(d) Date of Meeting. For the purpose of determining the Members entitled to vote on, or to vote at, any meeting of the Members or any adjournment thereof, the Board may fix, in advance, a date as the record date for any such determination. Such date shall not be more than thirty (30) calendar days nor less than ten (10) calendar days before any such meeting.

(e) Proxies. Each Member may authorize any Person or Persons to act for it by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Member or its attorney-in-fact. Every proxy shall be revocable at the pleasure of the Member executing it.

(f) Voting. Notwithstanding this Section 5.04, and except as otherwise set forth in this Agreement or the Side Letter, the Company may take any action contemplated under this Agreement or the Side Letter when approved by the written consent of the Members holding at least a majority of all Units then outstanding, voting as a single class, such consent to be provided to the Company by e-mail or by registered or certified mail, postage and charges prepaid.

5.05 Required Member Consents. Notwithstanding any other provision of this Agreement, the Company shall not (and shall cause its Subsidiaries not to) either directly or indirectly by amendment, merger, consolidation or otherwise, effect any of the following acts or transactions without the written consent of each of the Nokia Member and the NJEDA Member, and such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect:

(a) incur or guarantee indebtedness for borrowed money of a Participant Company;

(b) invest more than the Concentration Cap in any one Participant Company;

(c) make any investment in publicly traded securities, excluding (i) private placements of public company securities, (ii) securities which were not publicly traded at the time of such investment, (iii) securities acquired in a "going private" transaction or series of transactions and (iv) short-term investments such as money market funds;

(d) reinvest proceeds from the sale of Participant Company securities during the Investment Period if doing so would cause the aggregate amount of Investment Capital Contributions to exceed $15,000,000;

(e) amend, alter, renew or repeal any provision of this Agreement or any Definitive Agreement or approve the waiver of any term hereof or thereof;

(f) authorize, issue, redeem or repurchase any Units or Unit Equivalents, in each case, other than the redemption right of the NJEDA Member pursuant to Section 7.02(c);

(g) commence any liquidation, insolvency or bankruptcy proceedings with respect to the Company or any Subsidiary;

(h) consummate (x) any Sale Transaction or other merger or consolidation to which the Company or any Subsidiary is a party, or (y) the sale of any assets of the Company or any equity interests of a Participant Company then held by the Company or any of its Subsidiaries (except in connection with a change of control or other strategic transaction with respect to the applicable Participant Company);

(i) approve any transfer of Units or Unit Equivalents in the Company or any Subsidiary pursuant to Article XI, except for a Permitted Transfer; or

(j) (x) approve or amend the Approved Annual Operating Budget, or (y) approve or incur any expenditure in excess of the aggregate limit on expenditures set forth in the Approved Annual Operating Budget.

5.06 Partnership Representative. The Members hereby designate the Nokia Member as the "partnership representative" (as defined in and for the purposes of the Revised Partnership Audit Procedures) of the Company (the "*Partnership Representative*"), and, in its capacity as the Partnership Representative, the Nokia Member shall be entitled to implement the Revised Partnership Audit Procedures and make any additional changes that, in its reasonable discretion, it deems necessary or desirable, including the election pursuant to Section 6226 of the Code (as enacted by the Revised Partnership Audit Procedures) or such other similar provisions. Each Member will, upon request, supply any information requested by the Partnership Representative in connection with any tax proceedings. Each Member agrees to reasonably cooperate with the Partnership Representative and to do or refrain from doing any or all things reasonably requested by the Partnership Representative with respect to the conduct of such proceedings. The Company shall reimburse and indemnify the Nokia Member for all reasonable expenses incurred in its capacity as the Partnership Representative. The Partnership Representative may be removed and replaced by the Board at any time, subject to the prior written consent of the Nokia Member and the NJEDA Member. The provisions of this Section 5.06 shall survive the termination of the Company or the termination of any Member's interest in the Company and shall remain binding on the Members for as long a period of time as is necessary to resolve with the Internal Revenue Service any and all matters regarding the U.S. federal income taxation of the Company or the Members.

5.07 Liability for Certain Acts. Except as provided in the Act, the Members shall not, nor shall any other Members hereafter admitted, be obligated personally for any debt, obligation, or liability of the Company or of any other Member solely by reason of being a Member of the Company.

5.08 Other Activities. It is anticipated that the Members will have other business interests and will engage in other activities in addition to those relating to the Company. Except as expressly set forth in Article VII of this Agreement, neither the Company nor any Member shall have any right, by virtue of this Agreement or otherwise, to share or participate in other investments or activities of the Members or to the income or proceeds derived therefrom. Notwithstanding anything to the contrary in this Agreement, the Company, and each of the Members, renounces, to the fullest extent permitted by Applicable Law, any interest or expectancy of the Company in, or in being offered an opportunity to participate in, or being informed about, any Excluded Opportunity. An "*Excluded Opportunity*" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, (i) any Manager who is not an employee, consultant or service provider (other than as a Manager) of the Company or any of its Subsidiaries, or (ii) any Member or any Affiliate, partner, member, manager, unitholder, employee or agent (or the equivalent) of any such Member, other than someone who is an employee, consultant or service provider (other than as a Manager) of the Company or any of its Subsidiaries (collectively, "*Covered Persons*"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a Manager or employee, consultant or agent of the Company.

5.09 No Fiduciary Duties. It is hereby acknowledged and agreed that, to the fullest extent permitted by the Act and other Applicable Laws, (i) the Managers shall have fiduciary duties to the Company and its Members as contemplated by the Act and other Applicable Laws, and (ii) neither the Members nor the Administrative Manager shall have any duties or obligations to the Company, any Member, or any other party (including, without limitation, fiduciary duties) except as expressly set forth in this Agreement or in any Definitive Agreement. The Members agree that, to the greatest extent permitted by law, any action taken by a Manager, the Administrative Manager or a Member (in each case, in its capacity as such) that is (i) permitted by this Agreement and not prohibited by Applicable Law; (ii) not inconsistent with any express provision of this Agreement or any Definitive Agreement; or (iii) not expressly prohibited by this Agreement or any Definitive Agreement, shall be deemed to be taken in good faith and within the terms of the agreement contemplated by the parties hereto. The Members further acknowledge and agree that the Administrative Manager shall not have any liability whatsoever to the Members or the other parties hereto from time to time in connection with its exercise of its authority and performance of its duties in such capacity, and the Members hereby express disclaim any such liability on the part of the Administrative Manager and waive any and all claims in connection therewith unless any such liability is a result of the gross negligence, willful misconduct, fraud or bad faith of the Administrative Manager or material breach by the Administrative Manager of any provision of the Definitive Agreements.

ARTICLE VI

Contributions to the Company and Capital Accounts

6.01 Members' Capital Contributions. Simultaneously with the execution of this Agreement, each Member hereby commits to make Capital Contributions to the Company in the amount set forth opposite such Member's name on Exhibit B hereto as its initial Capital Contribution, and further agrees to make additional Capital Contributions from time to time as set forth in this Article VI.

6.02 Nokia Capital Commitment. The Nokia Member agrees to make Capital Contributions in the aggregate amount of Fifteen Million Dollars ($15,000,0000) (the "*Nokia Capital Commitment*") to the Company subject to the terms of this Agreement. Ten Million Dollars ($10,000,000) of the Nokia Capital Commitment (the "*Nokia Operations Commitment*") may be called from time to time during the Program Operations Period in the amounts, and for the uses, set forth in the Approved Annual Operating Budget, and may include in-kind contributions (the "*Nokia In-Kind Contributions*") the type and value of which as set forth in the Approved Annual Operating Budget, and Five Million Dollars ($5,000,000) of the Nokia Capital Commitment (the "*Nokia Investment Commitment*") may be called from time to time upon the recommendation of the Investment Committee during the Investment Period to finance the Company's investments into Participant Companies pursuant to the terms of this Agreement.

6.03 NJEDA Capital Commitment. The NJEDA Member agrees to make Capital Contributions in the aggregate amount of Fifteen Million Dollars ($15,000,0000) (the "*NJEDA Capital Commitment,*" and together with the Nokia Capital Commitment, each a "*Capital Commitment*") to the Company pursuant to the terms of this Agreement. Five Million Dollars ($5,000,000) of the NJEDA Capital Commitment (the "*NJEDA Operations Commitment*") (together with the Nokia Operations Commitment, the "*Operations Commitment*") may be called from time to time during the Program Operations Period in the amounts, and for the uses, set forth in the Approved Annual Operating Budget, and Ten Million Dollars ($10,000,000) of the NJEDA Capital Commitment (the "*NJEDA Investment Commitment*," and together with the Nokia Investment Commitment, the "*Investment Commitment*") may be called from time to time upon the recommendation of the Investment Committee during the Investment Period to finance the Company's investments into Participant Companies pursuant to the terms of this Agreement. Under no circumstances will the NJEDA Member be required to make Capital Contributions in excess of the NJEDA Capital Commitment.

6.04 Operations Capital Calls. Upon the election of the Administrative Manager and at least fifteen (15) days' prior to the required funding date, the Administrative Manager shall deliver written notices (each, a "*Capital Call Notice*") to the NJEDA Member and/or the Nokia Member calling for the applicable Member to fund a portion of its applicable Operations Commitment consistent with the amounts set forth in the Approved Annual Operating Budget (each, an "*Operations Capital Contribution*"), which notice shall include what operations such Operations Capital Contribution shall fund and over what period of time. Each Member shall fund (which may include, in the Nokia Member's case, contribution by way of a Nokia In-Kind Contribution) the applicable amounts set forth in a Capital Call Notice on or prior to the funding date set forth therein, provided that:

(i) the NJEDA Operations Commitment shall be called on a quarterly basis in increments of no less than One Hundred Thousand Dollars ($100,000) and no more than Two Hundred and Fifty Thousand Dollars ($250,000);

(ii) the NJEDA Member's obligation to fund any portion of the NJEDA Operations Commitment shall be conditioned upon the Nokia Member either (x) concurrently funding a portion of the Nokia Operations Commitment in cash and/or (y) becoming required, pursuant to the terms of the applicable Capital Call Notice, to provide Nokia In-Kind Contributions on the schedule set forth in the applicable Capital Call Notice, which aggregate amounts shall equal at least two (2) times the value of such portion of the NJEDA Operations Commitment, provided that, any Operations Capital Contributions made in excess of the Operations Commitment shall be made solely by the Nokia Member subject to clause (viii) below, and provided, further, that under no circumstances shall the NJEDA Member be required to make Operations Capital Contributions (excluding any items allocated therein to the Investment Commitment) in excess of the NJEDA Operations Commitment;

(iii) the Nokia Member's obligation to fund any portion of the Nokia Operations Commitment (whether in cash or in Nokia In-Kind Contributions, as set forth in the applicable Capital Call Notice) shall be conditioned upon the NJEDA Member concurrently funding a portion of the NJEDA Operations Commitment equal to at least fifty percent (50%) of the value of such portion of the Nokia Operations Commitment;

(iv) in the event that any portion of the NJEDA Operations Commitment is utilized for capital improvements or equipment installation in an aggregate amount (with respect to any given Capital Call Notice) of over two thousand dollars ($2,000) at the Initial Site, the Company and the Administrative Manager agree that all contractors providing services at the Initial Site in connection with the expenditure of such portion of the NJEDA Operations Commitment shall be subject to the NJEDA Member's prevailing wage and affirmative action requirements, including, but not limited to, payroll reporting and contractor registration under the New Jersey Public Works Contractor Registration Act;

(v) in the event that some or all of the Nokia Member's Operations Capital Contribution as set forth in a Capital Call Notice is to consist of Nokia In-Kind Contributions, then the Nokia Member shall provide such Nokia In-Kind Contributions on the timeline set forth in the Capital Call Notice and not, for the avoidance of doubt, by the required funding date for Operations Capital Contributions consisting of cash as set forth in the Capital Call Notice;

(vi) for all purposes of this Agreement, and subject to clause (vii) below, any Nokia In-Kind Contributions shall be deemed to have the aggregate value set forth in the applicable Capital Call Notice and Approved Annual Operating Budget; provided, that upon request by the NJEDA Member, the Nokia Member shall provide detailed invoices and other information reasonably requested by the NJEDA Member to allow the NJEDA Member to verify the value of such Nokia In-Kind Contributions;

(vii) in the event that the Administrative Manager determines in its reasonable discretion that the amount of Nokia In-Kind Contributions for a prior period exceeded the value of the Nokia In-Kind Contributions set forth in the applicable Capital Call Notice(s) or Approved Annual Operating Budget, then the outstanding Nokia Operations Commitment shall be reduced by the amount of such excess Nokia In-Kind Contributions;

(viii) notwithstanding the foregoing, during the Program Operations Period and for so long as the Nokia Member is then serving as the Administrative Manager, in the event that the Board approves an Approved Annual Operating Budget pursuant to the terms hereof that contemplates aggregate expenditures of the Company (excluding any items allocated therein to the Investment Commitment) in excess of $15,000,000, then the Administrative Manager may deliver one or more Capital Call Notices to the Nokia Member that would require the Nokia Member to fund such amounts pursuant to the terms of this Section 6.04 on terms (which may include, without limitation, the issuance of additional Units to Nokia) that are mutually acceptable to the Nokia Member, the NJEDA Member and the Company; and

(ix) if the Investment Period is suspended pursuant to Section 7.05 or the Company is dissolved or terminated pursuant to Article XIII, the NJEDA Member may, in its sole discretion, be relieved of its obligation to fund its outstanding NJEDA Operations Commitment.

6.05 Investment Capital Calls. Upon the recommendation of the Investment Committee during the Investment Period and at least fifteen (15) days' prior to the required funding date, the Investment Committee shall deliver a Capital Call Notice to the NJEDA Member and the

Nokia Member requiring each Member to fund a portion of its applicable Investment Commitment in connection with the financing by the Company of a Participant Company (each, an "*Investment Capital Contribution*"). Each Member shall fund the applicable amounts set forth in any Capital Call Notice on or prior to the date set forth therein provided that:

(i) the NJEDA Investment Commitment shall be called in increments of no less than One Hundred Thousand Dollars ($100,000);

(ii) the NJEDA Member's obligation to fund any portion of the NJEDA Investment Commitment shall be conditioned upon the Nokia Member concurrently funding a portion of the Nokia Investment Commitment equal to at least fifty percent (50%) of the value of such portion of the NJEDA Investment Commitment; and

(iii) The Nokia Member's obligation to fund any portion of the Nokia Investment Commitment shall be conditioned upon the NJEDA Member concurrently funding a portion of the NJEDA Investment Commitment equal to at least two hundred percent (200%) of the value of such portion of the Nokia Investment Commitment.

6.06 Capital Call Default. Upon a failure by the Nokia Member or the NJEDA Member to contribute the full amount, when due, of any Operations Commitment (whether consisting of cash or Nokia In-Kind Contribution) or Investment Commitment pursuant to Sections 6.04 or 6.05, respectively (a "*Capital Call Default*"), such defaulting Member (a "*Defaulting Member*") shall, at the written election of the other Member at least fifteen (15) days after the date of the applicable Capital Call Default (so long as the Defaulting Member has not yet cured the applicable Capital Call Default), automatically forfeit, without payment of any consideration, a portion of such Defaulting Member's Units or Unit Equivalents equal to the product of (a) (i) the amount of the Operations Commitment and/or Investment Commitment that the Defaulting Member failed to fund, divided by (ii) $15,000,000, multiplied by (b) the aggregate number of Units then held by such Defaulting Member and its Affiliates. The Company shall promptly update Exhibit B hereto to reflect any such forfeiture. The Defaulting Member shall promptly execute and deliver any documentation that is reasonably requested by the other Member to reflect such forfeiture. The remedies set forth in this Section 6.06 are not exclusive and shall not be deemed to limit either Member's remedies in any way in connection with an Uncured Material Breach by the other Member.

6.07 Capital Accounts. A separate Capital Account will be maintained for each Member. Each Member's Capital Account shall be maintained in accordance with the following provisions:

(a) to each Capital Account there shall be credited all the applicable Member's Capital Contributions equal to the amount of cash and the Gross Asset Value of property other than cash, such Member's distributive share of Net Profits, any items in the nature of income or gain that are specially allocated to such Member pursuant to Article VIII and the amount of any Company liabilities that are assumed by such Member or that are secured by any Company assets distributed to such Member;

(b) to each Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Company assets distributed to the applicable Member pursuant to any provision of this Agreement, such Member's distributive share of Net Losses, any items in the nature of deductions or losses that are specially allocated to such Member pursuant to Article VIII and the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company;

(c) in the event that all or some of a Member's Units are sold in accordance with this Agreement and the Side Letter, the transferee shall succeed to the Capital Account of the assignor to the extent it relates to the transferred Units; and

(d) no Member shall be required to pay to the Company or to any other Member or Person any deficit in such Member's Capital Account upon dissolution of the Company or otherwise.

6.08 Withdrawal or Reduction of Members' Contributions to Capital. A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to a Member on account of its Capital Contribution, have been paid or there remains property of the Company sufficient to pay them. A Member, irrespective of the nature of its Capital Contribution, has only the right to demand and receive cash in return for its Capital Contribution.

6.09 Limited Liability. The liability of each Member shall be limited to such Member's Capital Contributions that such Member has made or agreed to make to the Company.

ARTICLE VII

Technology Evaluation and Participant Companies Formation

7.01 Technology Evaluation; Intellectual Property Matters.

(a) The Nokia Member covenants and agrees to provide the Company with access to material information relating to the Nokia IP, subject to the confidentiality provisions set forth herein and solely to the extent required to undertake the evaluation and development contemplated by this Section 7.01, provided that (i) the Nokia Member shall only be required to provide such access to the extent permitted by Applicable Law and not prohibited by any agreements between the Nokia Member and any third parties with respect to the Nokia IP (in each case, as determined by the Nokia Member acting reasonably and with Nokia's reasonable consideration of whether such prohibitions may be waived), (ii) the Nokia Member may require that the Company and the NJEDA Member execute additional confidentiality agreements (subject to the terms of the Side Letter) or otherwise agree to other reasonable terms and conditions as requested by the Nokia Member prior to the Company and the NJEDA Member receiving access to such Nokia IP pursuant to the terms hereof, (iii) the Nokia Member shall provide all Nokia IP on an "as is" basis without making any representations and warranties whatsoever with respect to such Nokia IP, and (iv) in the event that any of the Nokia IP is owned or controlled by an Affiliate of the Nokia Member, the terms of this Section 7.01(a) and Section 7.01(e) shall apply with respect to such Affiliate of the Nokia Member and such Affiliate of the Nokia Member shall be deemed an express third-party beneficiary of the terms of this Section 7.01(a) and Section 7.01(e).

(b) During the Program Operations Period, the Administrative Manager will use its reasonable best efforts to identify and evaluate approximately thirty (30) technologies within the Nokia IP, New Jersey Academic Partner IP and/or technologies of other academic institutions within the Focus for feasibility of commercialization (such technologies, the "*Initial Technologies*").

(c) The Administrative Manager will use reasonable best efforts, during the five (5)-year period following the date of this Agreement, which may be extended by mutual consent of the Members (the "*Program Operations Period*"), to identify fourteen (14) of the Initial Technologies (each, an "*Identified Technology*") for further development and feasibility of commercialization (such development stage, with respect to each Identified Technology, the "*Pre-Company Creation*").

(d) During the Pre-Company Creation stage with respect to each Identified Technology, the Investment Committee shall be entitled to recommend the issuance of Capital Call Notices pursuant to Section 6.04 to fund the development of working prototypes of the applicable Identified Technology from the Investment Commitment, which must be approved by the Board.

(e) As between the parties hereto, notwithstanding anything to the contrary herein, it is hereby acknowledged and agreed that the Nokia Member shall own (i) all Nokia Background IP and (ii) all Improvements thereto. The Nokia Member hereby grants to the Company a worldwide, non-exclusive, non-sublicensable, royalty-free license to the Nokia Member's rights in and to the Nokia Background IP and all Improvements thereto, in each case, solely for the limited purposes of conducting the evaluation and development activities contemplated by this Article 7.

7.02 Participant Company Formation.

(a) Upon successful development of a working prototype and positive assessment of applicable commercial factors of an Identified Technology (in each case, as determined by the Investment Committee), the Investment Committee shall be entitled to recommend Identified Technologies to be selected for progression from the Pre-Company Creation stage to seed stage company formation (any such entity, a "*Participant Company*"). Upon the recommendation of the Investment Committee, the Company will provide initial funding (which may take the form of an equity investment, an investment in convertible securities, or any other form of investment, in each case, as recommended by the Investment Committee) to each Participant Company from the Investment Commitment, subject to the terms hereof. The Investment Committee shall recommend the entity form of each Participant Company, subject to the terms hereof.

(b) The Company will enter into an agreement with each Participant Company which shall contain, without limitation, the following provisions: (i) each Participant Company must maintain an office presence in the State of New Jersey with at least one C-suite level executive working in the State of New Jersey for no less than three (3) years from the date of its formation; and (ii) each Participant Company must be provided with the option to utilize office and lab space, and conduct their operations, at a Site on the terms set forth herein until such Participant Company procures material funding from a third party, and (iii) each Participant Company shall have a team of at least two (2) full-time equivalent employees (the "*New Jersey Presence Requirements*"). The Company shall endeavor to provide each Participant Company with the option to utilize office and lab space, and to conduct its operations, at a Site even when no longer required to do so pursuant to the New Jersey Presence Requirements.

(c) The NJEDA Member shall be promptly provided with each agreement entered into between the Company and a Participant Company. If a Participant Company fails to maintain the New Jersey Presence Requirements for a period of at least thirty (30) consecutive days, the Company must issue a default notice to such Participant Company. From the date of such default notice, the Administrative Manager shall have one hundred and eighty (180) days to determine if such Participant Company has come back into compliance with the New Jersey Presence Requirements. If such compliance is not accomplished by the end of such cure period (as reasonably determined by the Administrative Manager), then (i) the Nokia Member shall have the right, but not the obligation, to acquire all shares of capital stock or membership units (as applicable) of such Participant Company then held by the Company, at an aggregate price equal to the greater of (x) the aggregate dollar amount that the Company has then invested in such Participant Company, (y) (A) the price per share of capital stock or membership unit (as applicable) in the applicable Participant Company's most recent round of third-party funding multiplied by (B) the number of shares of capital stock or membership units (as applicable) of the applicable Participant Company then held by the Company or (z) (A) the price per share of the classes or series of capital stock or membership units (as applicable) of the Participant Company then held by the Company, as set forth in the applicable Participant Company's most recent third-party valuation multiplied by (B) the number of shares of capital stock or membership units (as applicable) of the applicable Participant Company then held by the Company (such price the "*Redemption Price*") and (ii) in the event that the Nokia Member does not consummate the acquisition contemplated by clause (i) above within ninety (90) days of the end of the cure period referenced in the preceding sentence, then the applicable Participant Company shall be required to redeem all shares of capital stock or membership units (as applicable) of such Participant Company that are then held by the Company at the Redemption Price within sixty (60) days of the end of such ninety (90) day period. After the consummation of the acquisition or redemption transaction (as applicable) contemplated by clauses (i) or (ii) of the preceding sentence, the applicable Participant Company shall cease to be a Participant Company for all purposes hereunder.

(d) The Company and the Administrative Member will use reasonable efforts to cause the formation of two (2) Participant Companies (in the aggregate) in the first (1^{st}) and second (2^{nd}) years of the Program Operations Period, three (3) Participant Companies (in the aggregate) in the third (3^{rd}) and (4^{th}) years of the Program Operations Period, and four (4) Participant Companies in the fifth (5^{th}) year of the Program Operations Period.

(e) Upon the formation of a Participant Company, the Company shall cause such Participant Company to reserve up to 10% of the anticipated fully diluted equity capitalization of such Participant Company (calculated after giving effect to the initial investment by the Company in each such Participant Company) for issuance of equity awards to members of the management team and other personnel of such Participant Company, such awards to be subject in each case to Majority Approval.

7.03 Nokia Intellectual Property. Upon commencement of the Pre-Company Creation stage pursuant to Section 7.02, in the event that the Company and, subsequently, the applicable Participant Company seek to license Nokia IP or New Jersey Academic Partner IP or other Intellectual Property Rights in connection with the applicable Identified Technology from the Nokia Member or its Affiliates or a New Jersey Academic Partner or other academic institution, as applicable, the Company or such Participant Company, as applicable, shall negotiate in good faith with the Nokia Member (or its applicable Affiliate), the New Jersey Academic Partner or other academic institution, as applicable, to enter into a licensing arrangement for the relevant Nokia IP, New Jersey Academic Partner IP or Intellectual Property Rights of other academic institutions within the Focus, as applicable (provided, for the avoidance of doubt, that in no event shall the Nokia Member and its Affiliates be obligated to enter into a licensing arrangement with respect to Nokia IP pursuant to this Section 7.03 other than on mutually acceptable terms (provided that the Nokia Member shall negotiate in good faith and make best efforts to enter into such licensing arrangements with respect to Identified Technologies on mutually acceptable terms), subject to the following provisions:

(i) in the event that the relevant Nokia IP or New Jersey Academic Partner IP or other Intellectual Property Rights are contributed to a Participant Company in consideration for issuance of equity interests in the Participant Company to the Nokia Member or a New Jersey Academic Partner or other academic institution (as applicable), such equity interests shall not exceed twenty percent (20%) of the Participant Company's fully diluted equity capitalization after giving effect to the initial funding of such Participant Company by the Company out of the Investment Commitment;

(ii) the licensing agreement shall not provide for annual royalties and other similar payments (excluding, for the avoidance of doubt, any sales or developmental milestone payments or other similar payments) in excess of ten percent (10%) of the Participant Company's annual gross revenue; and

(iii) any such agreement shall be subject to Majority Approval.

7.04 Investment Parameters.

(a) The Investment Committee shall be entitled to recommend the issuance of Capital Call Notices with respect to the Investment Commitment from time to time pursuant to the terms hereof for a term commencing on the Effective Date and expiring on the earlier to occur of (i) the five-year anniversary of the Effective Date and (ii) the date on which the Investment Commitment shall have been fully invested (such period, the "*Investment Period*").

(b) The Company shall not invest more than Two Million Dollars ($2,000,000) from the Investment Commitment in any individual Participant Company (the "*Concentration Cap*").

(c) The Company shall use reasonable best efforts to deploy at least 15% of the aggregate Investment Commitment each year, and 100% of the aggregate Investment

Commitment by the end of the Investment Period, subject, in each case, to the Investment Committee's discretion with respect to any and all investments in Participant Companies.

7.05 Suspension or Termination of the Investment Period.

(a) Upon the occurrence of an Uncured Material Breach with respect to the Nokia Member, any member of the Investment Committee, the Investment Committee or the Administrative Manager, the NJEDA Member shall have the right, which shall be exercisable at any time upon fifteen (15) days prior written notice to the Nokia Member and the Investment Committee, to suspend the Investment Period.

(b) If the NJEDA Member exercises its right to suspend the Investment Period pursuant to Section 7.05(a), the Company will enter a "*Suspension Period*", during which neither Member shall be required to make any Investment Capital Contributions, provided that the Investment Committee may recommend the issuance of Capital Call Notices (and the Members shall be required to fund the applicable amounts of their respective Investment Commitments set forth therein) during any Suspension Period for the following purposes only:

(i) funding follow-on investments with respect to existing Participant Companies;

(ii) consummating transactions with respect to which the Company has entered into a binding written commitment prior to the commencement of the Suspension Period.

(c) The Investment Period may be reinstated at the election of the NJEDA Member at any time prior to the date that is one hundred and eighty (180) days following the date on which the Suspension Period shall have commenced. If the Suspension Period has not been reinstated pursuant to the preceding sentence prior to the date that is one hundred and eighty (180) days following the date on which the Suspension Period shall have commenced, the Investment Period will automatically terminate and may not be reinstated.

7.06 Nokia Investments. During the period beginning on the date of formation of a Participant Company and ending on the earlier to occur of (a) the expiration of the Program Operation Period (as extended from time to time pursuant to the terms hereof), (ii) the expiration or termination of the Investment Period or (iii) the Concentration Cap being reached for the applicable Participant Company, the Nokia Member will not acquire equity securities of a Participant Company (except, for the avoidance of doubt, on an indirect basis in its capacity as a Member of the Company). Notwithstanding the foregoing, this Section 7.06 shall not prevent the Nokia Member from acquiring up to twenty percent (20%) of the fully diluted capitalization of a Participant Company pursuant to Section 7.03(i).

ARTICLE VIII

Rights and Obligations of Members

8.01 Company Debt Liability. A Member will not be personally liable for any debts or losses of the Company beyond the Member's Capital Contributions, except as provided in Section 8.13.

8.02 Company Books. In accordance with Section 10.07, the Administrative Manager shall maintain and preserve, during the term of the Company, and for six (6) years thereafter, all accounts, books, and other relevant Company documents. Upon reasonable request, each Member shall have the right, during ordinary business hours, to visit the Company's properties and inspect and copy the Company's books and documents at the requesting Member's expense.

8.03 Information Rights. The Administrative Manager, on behalf of the Company, shall deliver to each Member:

(a) As soon as practicable, but in any event within 180 days after the end of each Fiscal Year, (i) an audited balance sheet as of the end of such year and (ii) audited statements of income and cash flows for such year, all prepared in accordance with U.S. Generally Accepted Accounting Principles ("*GAAP*");

(b) As soon as practicable, but in any event within 45 days after the end of each quarter of each Fiscal Year of the Company, (i) an unaudited balance sheet as of the end of such fiscal quarter, (ii) unaudited statements of income and cash flows for such year, all prepared in accordance with GAAP, except that such financial statements may not contain all notes thereto that may be required in accordance with GAAP and may be subject to normal year-end audit adjustments and (iii) quarterly reports in the format set forth on Exhibit E hereto, which shall include reasonable detail about the Participant Companies;

(c) As soon as practicable, the Approved Annual Operating Budget; and

(d) On a quarterly basis, the Administrative Manager will meet with the NJEDA Member or any authorized representative designated by the NJEDA Member to discuss the progress of the Participant Companies and other business and financial matters relating to the Company.

8.04 Annual Budget. The Administrative Manager, on behalf of the Company shall, at least 30 days before the end of each Fiscal Year, prepare an annual budget and business plan for the next Fiscal Year, prepared on a monthly basis, including balance sheets, income statements and statement of cash flow for such months (the "*Budget*"). The Company shall submit the Budget for approval to (i) the NJEDA Member and the Nokia Member in accordance with Section 5.05(j) hereof, (ii) the Board, and (iii) the Administrative Manager and the Budget, if and when approved pursuant to clauses (i)-(iii), shall be referred to as the "*Approved Annual Operating Budget*". The Administrative Manager may propose further updates to the Approved Annual Operating Budget from time to time, subject to approval of the Board, the NJEDA Member and the Nokia Member. The initial Approved Annual Operating Budget as of the date of this Agreement is attached hereto as Exhibit C.

8.05 Service Agreements. It is acknowledged by the Members that as of the date of this Agreement, the Company and the Nokia Member, in its capacity as Administrative Manager, shall have entered into a Master Services Agreement in substantially the form attached hereto as Exhibit D (the "*Services Agreement*"). It is hereby acknowledged and agreed that the services provided by the Nokia Member under the Services Agreement shall not be deemed to include any investment advisory services or any services that could be deemed to be investment advisory services under the Investment Advisers Act of 1940, as amended, or the rules or regulations promulgated thereunder.

8.06 Academic Collaborator Partners.

(a) The Nokia Member shall cause the Company to execute at least Academic Partnership Memoranda of Understanding (each, a "*MOU*") with one or more universities and/or research institutions located in New Jersey (each, a "*New Jersey Academic Partner*"), and shall use its commercially reasonable efforts to execute additional MOUs with New Jersey Academic Partners from time to time, in each case, in form and substance satisfactory to the Nokia Member and the NJEDA Member. Each MOU will contain terms for (i) the offer of training and educational, licensing and research opportunities by each New Jersey Academic Partner for to Participant Companies; (ii) creation of an entrepreneurial community around the Company through potentially offering internship opportunities to students from the New Jersey Academic Partners; (iii) co-sponsorship of Company program activities; (iv) limited use of each New Jersey Academic Partner's intellectual property; and (v) limited use of the New Jersey Academic Partner's name, marks, and logos.

(b) It is acknowledged by the Members that as of the date of this Agreement, the Company and/or its Members (or their Affiliates) shall have entered into the following MOUs: (i) that certain Memorandum of Understanding, dated as of November 7, 2024, by and between Nokia Solutions and Networks OY ("*Nokia Solutions*") and Rutgers, The State University and (ii) that certain Memorandum of Understanding Concerning NJEDA Funding and Technology Ventures, dated as of February 4, 2025, by and between Nokia Solutions, New Jersey Institute of Technology and New Jersey Innovation Institute.

8.07 Studio Real Estate.

(a) During the Program Operations Period, the Nokia Member and NJEDA Member will cause the Company to move the business operations of the Company from the Initial Site to the new Nokia Bell Labs office in New Brunswick, New Jersey (the "*Future Site*"); provided, that in the event that the Future Site is not available for occupancy during the Program Operations Period, the Nokia Member will cause the Company to continue to operate at either (i) the Initial Site, or (ii) a site approved by Majority Approval, which site must be in New Jersey with a defined lease term (an "*Alternative Site*") (together with the Initial Site and the Future Site, each a "*Site*").

(b) The Nokia Member or its designated Affiliate shall enter into lease agreements with each Participant Company (each, a "*Participant Company Lease*," and together, the "*Participant Company Leases*"), subject in each case to the consent of the applicable Participant Company, for up to an aggregate amount of 5,000 leased square feet of office and lab space (the "*Participant Company Space*") at one or more Sites. It is anticipated that 2,000 square feet of the Participant Company Space will be located at the Future Site (once available for occupancy), and the balance of Participate Company Space will be at an Alternative Site.

(c) The cost of the Participant Company Leases and operating costs for the Participant Company Space shall be contained in the Annual Approved Operating Budget, and the excess of (i) the fair market value of the space at the applicable Site that the Nokia Member provides to a Participant Company minus (ii) the amount paid by the Participant Company pursuant to a Participant Company Lease for such site shall count towards the Nokia Operations Commitment as Nokia In-Kind Contributions.

(d) The monthly lease payment per Participant Company Lease shall be calculated on the basis of the lesser of (i) the fair market value for comparable space in the immediate area and (ii) an amount not to exceed forty dollars ($40) per square foot.

(e) Without limiting the foregoing, it is anticipated that the Nokia Member will make physical space available to the Company and to Participant Companies at the Initial Site and the Future Site on substantially the terms set forth in Exhibit F hereto.

8.08 Advisory Board. The Nokia Member and NJEDA Member shall cooperate together to establish an advisory board (the "*Advisory Board*") to provide non-binding advice to the Officers, the Board, and the Administrative Manager on: (i) cultivating a network of potential executives, (ii) establishing relationships with New Jersey corporations, (iii) managing the business, operations and governance of Participant Companies and (iv) other topics applicable to the Company and the Participant Companies (collectively, "*NJ Startup Matters*"). The Advisory Board shall initially consist of one (i) representative designated by the Nokia Member, one (1) representative designated by the NJEDA Member, and up to three (3) additional members familiar with NJ Startup Matters, to be mutually designated by the Nokia Member and the NJEDA Member. For the avoidance of doubt, the Advisory Board shall serve a purely advisory function and shall not exercise any of the powers of the Board.

8.09 Insurance. The Administrative Manager shall cause the Company to procure and maintain standard commercial general liability, commercial auto liability, workers compensation, umbrella/excess liability (if applicable), professional liability (if applicable) and other insurances as would be procured by a similarly situated party, in each case, on customary and commercially reasonable terms and with minimum coverage amounts reasonably acceptable to the NJEDA Member. The NJEDA Member shall be entitled to designated one (1) of its Affiliates as an additional insured party for each such insurance policy.

8.10 Compliance with Law.

(a) The Company shall: (a) comply with all Applicable Laws; (b) obtain and comply with all legally required licenses and permits in connection with the operation of its business, (c) comply with all applicable New Jersey laws regarding insurance coverage; and (c) comply with all New Jersey laws & regulations regarding non-discrimination and contractor and supplier diversity.

(b) All contracts and subcontracts to which the Nokia Member or Company is a party for building services (i.e., cleaning and routine building maintenance work) performed at a Site shall provide for payment of the contractor or subcontractor (as applicable) at no less than the prevailing wage rate as determined by the New Jersey Commissioner of Labor and Workforce Development.

8.11 Non-Solicitation. For so long as this Agreement remains in effect, the NJEDA Member hereby covenants and agrees that it will not directly or indirectly solicit or induce (or attempt to or assist others, including its Affiliates, to solicit or induce) employees or consultants of the Nokia Member or its Affiliates who are directly or indirectly engaged in the Business to terminate their relationship with the Nokia Member (or its Affiliate, as applicable) for the benefit of the NJEDA Member or for the benefit of any other Person.

8.12 Priority and Return of Capital. Except as may be expressly provided in Article VIII, no Member shall have priority over any other Member, either for the return of Capital Contributions or for Net Profits, Net Losses, or distributions; *provided* that this Section 8.12 shall not apply to loans (as distinguished from Capital Contributions) which a Member has made to the Company.

8.13 Liability of a Member to the Company. A Member who receives the return in whole or in part of its Capital Contribution is nevertheless liable to the Company only to the extent now or hereafter provided by the Act.

ARTICLE IX

Confidentiality.

9.01 Confidentiality. Each Member and the Company (each, in such capacity and together with its Affiliates, a "*Disclosing Party*") may disclose to the other Members or the Company (each, in such capacity, a "*Receiving Party*"), and the Receiving Party may receive from the Disclosing Party (or such Disclosing Party's Affiliates, consultants, contractors, or other third parties acting on such Disclosing Party's behalf) or from the Administrative Manager, during the course and conduct of activities under this Agreement, certain proprietary or confidential information of the Disclosing Party or its Affiliates in connection with the Business and the matters contemplated by the Definitive Agreements. The term "*Confidential Information*" means, with respect to each Disclosing Party, all proprietary or confidential information or materials, in tangible or non-tangible form, disclosed by or on behalf of such Disclosing Party or its Affiliates hereunder, including all technical and non-technical information of the Disclosing Party and its Affiliates and of any Participating Company that is conveyed to the Receiving Party in any form, electronic data, and scientific, marketing, financial and other proprietary information, samples, compounds, methods, formulas, processes, protocols, technologies and equipment employed, information relating to quality assurance, techniques, inventions, know-how, apparatus, and formulae, related to the current, future and proposed compounds, compositions, materials and code of the Disclosing Party and its Affiliates and of any Participating Company. For clarity, the terms of the Definitive Agreements shall constitute the Confidential Information of each Member hereunder.

9.02 Exceptions. Notwithstanding any other provisions herein, Confidential Information does not include information which:

(a) was known to the Receiving Party or any of its Affiliates prior to the time of disclosure;

(b) is at the time of disclosure hereunder or later becomes public knowledge through no fault or omission of the Receiving Party or any of its Affiliates; provided, however, that disclosures by the Receiving Party permitted under Section 9.04 or Section 9.05 shall not be considered a wrongful disclosure hereunder;

(c) is obtained by the Receiving Party or any of its Affiliates from a third party which, to Receiving Party's knowledge after reasonable investigation, is under no obligation of confidentiality to the Disclosing Party or its applicable Affiliate(s); or

(d) has been independently developed by employees, contractors, consultants or agents of the Receiving Party or any of its Affiliates without the benefit, aid, application or use of, or access to, Confidential Information of the Disclosure Party or its Affiliates, as evidenced by contemporaneous written records.

9.03 Use of Confidential Information. For a period commencing on the Effective Date and expiring six (6) years after the expiration of the Program Operations Period, each Receiving Party shall take reasonable steps to keep the Disclosing Party's Confidential Information in confidence and will only disclose such Confidential Information to such Receiving Party's directors, trustees, officers, employees, consultants, subcontractors, advisors and agents (any such person, a "Representative") who have a need to know such Confidential Information (provided that such need to know requirement shall not apply to personnel of a Receiving Party or its Affiliates who are subject to written obligations of confidentiality at least as stringent as those set forth herein). Except as otherwise expressly provided in this Agreement or the Side Letter or otherwise agreed to in writing, the Receiving Party shall not use or disclose the Disclosing Party's Confidential Information except for the purposes contemplated by this Agreement or the Side Letter. Except as otherwise expressly permitted in this Agreement or the Side Letter, the Receiving Party shall (and shall ensure that any authorized Persons to which it discloses the Disclosing Party's Confidential Information shall) only use the Disclosing Party's Confidential Information for the purposes of performing its obligations and exercising its rights under this Agreement or the Side Letter. It is hereby acknowledged and agreed that the Affiliates of the Nokia Member are express third party beneficiaries of this Article 9.

9.04 Permitted Disclosures.

(a) Each Receiving Party may disclose the Disclosing Party's Confidential Information to the extent necessary to comply with Applicable Law (including any securities law or regulation or the rules of a securities exchange or self-regulatory organization (such as the Financial Industry Regulatory Authority)) or as required in a legal or administrative proceeding; provided, however, that, to the extent permitted by Applicable Law, the Receiving Party shall promptly provide written notice to the Disclosing Party if legally permitted and cooperate with the Disclosing Party to minimize the scope of disclosure, seek a protective order or prevent disclosure of such information; provided, that no such notice shall be required, and the Receiving Party may disclose the Disclosing Party's Confidential Information, if and to the extent the Receiving Party or its controlled Affiliate is requested or required to disclose such Confidential Information during the course of a routine supervisory or regulatory examination that does not target the Disclosing Party, the Disclosing Party's Confidential Information or this Agreement, and if such supervisor or regulator is bound by Applicable Law or written obligations to keep such information confidential.

(b) Notwithstanding anything to the contrary in this Agreement, the Members recognize that each Member may be involved in discussions, partnerships, investments or business relationships with Persons engaged in, or contemplating, similar businesses to the actual or planned business of the other Member(s). The fact that a Member or any of its Affiliates may have such discussions, investments or business relationships with other Persons shall not give rise to any presumption that such Member has breached any of its obligations under this Agreement. Nothing in this Agreement will be construed as a representation or agreement that any Member or its Affiliates will (i) not develop, receive or otherwise possess ideas, plans or other information which may be similar to that embodied in the Confidential Information, (ii) not invest in or otherwise be associated with a business that competes, directly or indirectly, in whole or in part, with the business of other Member(s) or their Affiliates, or (iii) have any duty to any Person not to trade in securities on the basis, or while in possession, of Confidential Information or not use Confidential Information received hereunder in connection with evaluating investment opportunities, trading securities in the public markets and participating in private investment transactions, provided that each Receiving Party and its Affiliates shall not disclose or otherwise provide the Disclosing Party's Confidential Information (or any derivatives, extracts or summaries thereof) to anyone in violation of this Agreement or the Side Letter.

9.05 Press Releases. Except as required by Applicable Law or as expressly provided in this Agreement or the Side Letter, each Member agrees not to issue any press release or public statement disclosing information relating to this Agreement or the transactions contemplated hereby or the terms hereof without the prior written consent of the other Member(s). Notwithstanding any other provisions of this Agreement, the Members may provide information about this Agreement as required by Applicable Law (including federal and state reporting requirements).

ARTICLE X

Allocations, Distributions, Elections, and Reports

10.01 Allocations. After giving effect to the special allocations provided in Section 10.02, Net Profits and Net Losses, and to the extent appropriate, individual items of income, gain, loss and deduction thereof, of the Company for each Fiscal Year shall be allocated to the Members so as to increase or decrease, as the case may be, each Member’s Modified Capital Account to the extent necessary such that each Member’s Modified Capital Account is equal to the amount that such Member would receive if the Company were liquidated, its assets sold for their Gross Asset Value, its liabilities satisfied in accordance with their terms (limited with respect to each nonrecourse liability to the Gross Asset Value of the assets securing such liability) and all remaining amounts were distributed to the Members in accordance with Article X of this Agreement, immediately after making such allocation.

10.02 Regulatory Allocations. The following allocations shall, except as otherwise provided, be made in the following order:

(a) Minimum Gain. Notwithstanding any other provision of this Article X, if there is a net decrease in Company Minimum Gain or in any Member Minimum Gain during any Fiscal Year or other period, prior to any other allocation pursuant hereto, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount and manner required by Regulations Section 1.704-2(f) or 1.704-2(i)(4). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2.

(b) Qualified Income Offset. Any Member who unexpectedly receives an adjustment, allocation or distribution described in Regulations Section 1.704 1(b)(2)(ii)(d)(4), (5) or (6) which causes or increases a negative balance in its Modified Capital Account shall be allocated items of income and gain sufficient to eliminate such increase or negative balance caused thereby, as quickly as possible, to the extent required by such Regulations.

(c) Limitation on Allocation of Net Losses. In no event shall Net Losses of the Company be allocated to a Member if such allocation would cause or increase a negative balance in such Member's Modified Capital Account. In the event some but not all of the Members would have a negative Modified Capital Account balance as a consequence of an allocation of Net Losses pursuant to Section 10.01 hereof, the limitation set forth in this Section 10.02(c) shall be applied on a Member by Member basis and any Net Losses not allocable to any Member as a result of such limitation shall be allocated to the other Members in accordance with the positive balances in such Member's Capital Accounts so as to allocate the maximum permissible Net Losses to each Member under Section 1.704-1(b)(2)(ii)(d) of the Regulations.

(d) Nonrecourse Deductions. Nonrecourse Deductions shall be allocated to the Members in accordance with their Percentage Interests.

(e) Allocation of Nonrecourse Liabilities. Nonrecourse liabilities shall be allocated in accordance with Code Section 752 and the Regulations thereunder. "Excess nonrecourse liabilities" of the Company under Regulations Section 1.752-3(a)(3) shall be allocated to the Members in accordance with their Percentage Interests.

(f) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any Fiscal Year or other period shall be allocated to the Member that made, or guaranteed or is otherwise liable with respect to, the loan to which such Member Nonrecourse Deductions are attributable in accordance with principles under Regulations Section 1.704-2(i).

(g) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset, pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(2) or 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of such Member's interest in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(h) Curative Allocations. The foregoing allocations set forth in this Section 10.02 (the "*Regulatory Allocations*") are intended to comply with certain requirements of Regulations Sections 1.704-1(b) and 1.704-2(b). Notwithstanding any other provisions of this Agreement, other than the Regulatory Allocations, the Regulatory Allocations shall be taken into account in allocating other items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocations of other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to such Member if the Regulatory Allocations had not occurred. The Board shall have reasonable discretion, with respect to each Fiscal Year or other period, to apply the provisions of this Section 10.02(h) in whatever manner is likely to minimize the economic distortions that might otherwise result from the Regulatory Allocations.

(i) Tax Allocations; Code Section 704(c). In accordance with Code Section 704(c) and the Regulations promulgated thereunder, income, gain, loss, deduction and credit with respect to any property contributed to the capital of the Company, and with respect to any Company Property the Gross Asset Value of which is adjusted pursuant to the definition thereof, shall, solely for tax purposes, be allocated between the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value using any reasonable method permitted by the Regulations issued pursuant to Code Section 704(c) to account for such differences, as determined by the Partnership Representative.

10.03 Distributions.

(a) The Board, in its sole discretion (subject to the terms of this Agreement and the Side Letter), acting by Majority Approval, may cause the Company to make distributions to the Members of Distributable Cash or other assets or property of the Company from time to time as follows:

(i) First, to the Members *pro rata* in proportion to their respective Unreturned Capital Amounts until all Unreturned Capital Amounts are reduced to zero; and

(ii) Thereafter, to the Members *pro rata* in accordance with their Percentage Interests.

(b) A Member shall not have the status of, and is not entitled to the remedies available to, a creditor of the Company with regard to distributions that such Member becomes entitled to receive pursuant to this Agreement and the Act.

10.04 Limitation Upon Distribution. No distribution shall be declared and distributed unless, after the distribution is made, the assets of the Company are in excess of all liabilities of the Company, except obligations to Members on account of Capital Contributions.

10.05 Interest On and Return of Capital Contributions. No Member shall be entitled to interest on its Capital Contribution or to return of its Capital Contribution, except as otherwise specifically provided for in this Agreement.

10.06 Accounting Period and Taxable Year. The Company's accounting period and taxable year shall be the Fiscal Year unless otherwise required under Applicable Law.

10.07 Records, Audits, and Reports. At the expense of the Company, the Company shall maintain records and accounts of all operations and expenditures of the Company. At a minimum, the Company shall keep at its principal place of business the following records, which records must be maintained by the Company for six (6) years after the dissolution of the Company in accordance with this Agreement and the Side Letter:

(a) A current list of the full name and last known business, residence, or mailing address of each Member, both past and present, as provided to the Company by each Member;

(b) A copy of the Certificate of Formation of the Company and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any amendment has been executed;

(c) Copies of the Company's federal, state, and local income tax returns and reports, if any, for the six (6) most recent years;

(d) Copies of the Company's currently effective written agreements, copies of any writings permitted or required with respect to a Member's obligation to contribute cash, property, or services, and copies of any financial statements of the Company for the three (3) most recent years;

(e) Minutes of every meeting of the Board or the Members called in accordance with the terms hereof; and

(f) Any written consents obtained from Members or the Board for actions taken by Members or the Board, as applicable, without a meeting.

10.08 Returns and Other Elections. The Partnership Representative shall, at the Company's expense, cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary or required to be filed by the Company. Copies of those returns, or pertinent information from the returns, shall be furnished to the Members within a reasonable time after the end of the Company's taxable year. The Partnership Representative shall notify the Members upon receipt of any notice of tax examination of the Company by federal, state, or local authorities.

10.09 Certain Tax Matters. The Company shall not elect, and the Board shall not permit the Company to elect, to be treated as an association taxable as a corporation for U.S. federal, state or local income tax purposes under Regulations Section 301.7701-3 or under any corresponding provision of state or local law. The Company and the Board shall not permit the registration or listing of any Units on an "established securities market," as such term is used in Regulations Section 1.7704-1. No Member shall take any position on a tax return that is inconsistent with this Section 10.09.

ARTICLE XI

Membership

11.01 General. No Member shall have the right to sell, assign, pledge, hypothecate, transfer, exchange, or otherwise transfer for consideration (collectively, "*sell*", and any act thereof, a "*sale*"), or gift all or any such Member's Units or Unit Equivalents, except with the unanimous approval of the Board, which consent may be given or withheld in each Manager's sole discretion; provided, that the foregoing restriction shall not apply (a) solely with respect to the Nokia Member (or its transferee pursuant to a Permitted Transfer), any sale of Units or Unit Equivalents to an Affiliate, (b) with respect to any direct or indirect sale of a Member or equity interests of such Member or (c) solely with respect to the NJEDA Member, any transfer or sale of Units or Unit Equivalents to a governmental division, department or Entity of the State of New Jersey (each of (a), (b) and (c), a "*Permitted Transfer*").

11.02 Admission to Membership. A Person may become a Member from time to time by acquiring one or more Units pursuant to a Permitted Transfer, subject to the terms hereof. Exhibit A hereto and Exhibit B hereto shall be updated accordingly without requiring the consent of the Members to reflect such admissions. Any such additional Member shall, as a condition to being admitted as a Member, execute a joinder to this Agreement pursuant to which such Person shall agree to be bound by all of the terms of this Agreement and the Side Letter.

11.03 Transferee Not Member in Absence of Consent. If the Board does not unanimously approve of a proposed sale or gift of the Transferring Member's Units or Unit Equivalents to a transferee or donee who is not a Member immediately before the sale or gift (excluding, in each case, a Permitted Transfer), the proposed transferee or donee shall have no right to become a Member. No Person may be admitted as a Member pursuant to this Article IX (including, without limitation, pursuant to a Permitted Transfer) until such Person executes and delivers to the Company an agreement, in form and substance satisfactory to the Board, binding such Person to the terms and conditions of this Agreement and the Side Letter as if such Person had been named a Member herein. The restrictions on transfer in this Section 11.03 are intended to comply (and shall be interpreted consistently) with the restrictions on transfer set forth in the Act. If a transferee of Units or Unit Equivalents of the Company is not admitted to the Company as a Member pursuant to this Agreement, the transferee may not vote or otherwise participate in the governance of the Company or enforce the provisions of this Agreement or the Side Letter. A transferee that is not a Member is entitled to receive the distributions and allocations of income and loss to which the Member would have been entitled had the transfer not occurred and is subject to the restrictions imposed by this Agreement and the Side Letter to the same extent as a Member.

11.04 Financial Adjustments. No new Members shall be entitled to any retroactive allocation of losses, income, or expense deductions incurred by the Company. The Members may, at their option, at the time a Member is admitted, close the Company books (as though the Company's taxable year had ended) or make *pro rata* allocations of loss, income, and expense deductions to a new Member for that portion of the Company's tax year in which a Member was admitted in accordance with the provisions of I.R.C. § 706(d) and the Treasury Regulations promulgated thereunder.

ARTICLE XII

Dissolution and Termination

12.01 Dissolution.

(a) The Company shall, subject to the terms of this Agreement and the Side Letter, be dissolved upon the occurrence of any of the following:

(i) by the unanimous written consent of the Members;

(ii) by election of either Member upon an Uncured Material Breach by the other Member;

(iii) at any time there are no Members of the Company, unless the business of the Company is continued in accordance with the Act; or

(iv) upon the entry of a decree of judicial dissolution under Section 18-802 of the Act.

(b) As soon as possible following the occurrence of any of the events specified in this Section 12.01 effecting the dissolution of the Company, the affairs of the Company shall be wound up, the Company shall be dissolved in accordance with the Act and Article XII and this Agreement and the Side Letter shall be terminated (except for (i) Article I, Article II, Article III, Sections 5.06 – 5.09, Section 8.01, Section 8.02, Section 8.13, Article IX, Article X, Article XII and Article XIII) and (ii) any provisions hereof that expressly survive such termination).

12.02 Winding Up, Liquidation, and Distribution of Assets. Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and the Company's assets, liabilities, and operations, from the date of the last previous accounting until the date of dissolution. The Members shall immediately proceed to wind up the affairs of the Company. If the Company is dissolved and its affairs are to be wound up, the Board shall:

(a) Sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Members, by unanimous consent, may determine to distribute any assets to the Members in kind);

(b) Allocate any profit or loss resulting from such sales to the Members' Capital Accounts in accordance with Article VIII;

(c) Discharge all liabilities of the Company, including liabilities to Members who are creditors, to the extent otherwise permitted by the Act, other than liabilities to Members for distributions, and establish such Reserves as may be reasonably necessary to provide for contingencies or liabilities of the Company (for purposes of determining the Capital Accounts of the Members, the amounts of such Reserves shall be deemed to be an expense of the Company);

(d) If any assets of the Company are to be distributed in kind, determine the net Fair Market Value of those assets as of the date of dissolution. Those assets shall be deemed to have been sold as of the date of dissolution for their Fair Market Value, and the Capital Accounts of the Members shall be adjusted pursuant to the provisions of Article VIII and Section 6.07 to reflect such deemed sale.

(e) Distribute the remaining assets to the Members in accordance with Section 10.03.

(f) Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Treas. Reg. § 1.704-1(b)(2)(ii)(*g*), if any Member has a deficit Capital Account balance (after giving effect to all contributions, distributions, allocations, and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), the Member shall have no obligation to make any Capital Contribution, and the negative balance of the Member's Capital Account shall not be considered a debt owed by the Member to the Company or to any other Person for any purpose whatsoever.

(g) Upon completion of the winding up, liquidation, and distribution of the assets, the Company shall be deemed terminated.

(h) The Members, and any Officers shall comply with any applicable requirements of the Act pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

12.03 Return of Contribution; Nonrecourse to Other Members. Except as provided by the Act or as expressly provided in this Agreement, upon dissolution, each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of one or more Members, such Member shall have no recourse against any other Member.

ARTICLE XIII

Miscellaneous Provisions

13.01 Notices. Any notice, demand, or communication required or permitted to be given by any provision of this Agreement or the Side Letter shall be deemed to have been sufficiently delivered or served for all purposes if (a) delivered personally to the applicable Person,

(b) delivered to a recognized overnight courier service for next day delivery to the applicable Person at the address and to the attention of the persons set forth in Exhibit A hereto, (c) sent by email transmission to the email addresses set forth in Exhibit A hereto, or (d) sent by registered or certified mail, postage and charges prepaid, addressed to the applicable Person's address and to the attention of the persons which are set forth in this Agreement. Except as otherwise provided in this Agreement, any such notice shall be deemed to be given one business day after a confirmed email transmission is sent or after delivery to the courier service or three business days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as aforesaid. Any Member may change its address set forth in Exhibit A hereto by notice to the other Members.

13.02 Books of Accounts and Records. Proper and complete records and books of account shall be kept or shall be caused to be kept by the Company, in which shall be entered fully and accurately all transactions and other matters relating to the Company's business in the detail and completeness customary and usual for business of the type engaged in by the Company. The books and records shall be maintained as provided in Section 10.07. The books and records shall at all times be maintained at the principal executive office of the Company and shall be open to the reasonable inspection and examination of the Members or their duly authorized representatives during reasonable business hours and shall be maintained for six (6) years after the dissolution of the Company.

13.03 Indemnification.

(a) The Company agrees to defend, indemnify and hold harmless the State of New Jersey and the NJEDA Member, and each of their respective officers, directors, commissioners, employees and representatives (collectively, the "*Indemnitees*") from any and all Losses solely to the extent such Losses arise from or result from any act, omission, negligence, fault or default of the Nokia Member or its agents, employees, independent contractors or subcontractors in connection with their performance of their obligations under the Agreement and the Side Letter. For the avoidance of doubt, the indemnification obligation set forth in the preceding sentence shall be borne by the Company alone, and no Member shall (i) bear any liability whatsoever for such indemnification obligation or (ii) be required to fund any Capital Contribution for purposes of enabling the Company to satisfy such indemnification obligation.

(b) The Company and the Nokia Member acknowledge that the NJEDA Member is prohibited by law from indemnifying any Person.

13.04 Governing Law/Jurisdiction. This Agreement and the Side Letter shall be governed by and construed in accordance with the laws of the State of New Jersey without giving effect to conflict of laws principles thereof. In particular, the Company is formed pursuant to the Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. Notwithstanding the foregoing, (i) all tort claims against the NJEDA Member shall be governed by the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., and (ii) all contract claims against the NJEDA Member shall be governed by the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1. The Company and the Members agree to irrevocably submit to jurisdiction and venue in the courts of Mercer County of the State of New Jersey with respect to any action, claim, or other legal proceeding.

13.05 Dispute Resolution. (a) If either Member has a complaint, dispute or wishes to bring a claim (a "Dispute") against the other Member, it shall first notify the other Member in writing of such Dispute in reasonable detail and both Members shall make good faith efforts to resolve such dispute through discussions between the Nokia Manager and one of the NJEDA Managers or senior officers of each Member. If such discussions do not result in resolution within ten (10) business days of the notice of such Dispute, the parties must first engage in non-binding mediation in accordance with Section 13.05(b) through (f) prior to pursuing other remedies available pursuant to Applicable Law.

(b) Non-binding mediation is intended to assist the Members in the resolution of Disputes under this Section 13.05(b). Within ten (10) business days of the end of the period set forth in Section 13.05(a), the Members shall select a mediator by mutual agreement or, if agreement cannot be reached within such time period, the Members shall promptly request a list of five (5) names of mediators from the American Arbitration Association and select a mediator from such list by mutual agreement within five (5) business days of receipt. Any mediator selected by the Parties shall: (i) be an appropriately experienced and qualified professional; (ii) have no current or ongoing relationship with any Member; (iii) agree to provide a decision within ten (10) Business Days of the submission to the mediator of the written statement of the Members' respective positions; and (iv) be required to execute procurement and compliance forms and enter into a procurement agreement with the relevant NJEDA Member in a form acceptable to the NJEDA Member in its sole discretion.

(c) Unless otherwise agreed by the Members, the non-binding mediation contemplated by this Section 13.05 shall be conducted in accordance with rules and procedures reasonably determined by the mediator which such rules and procedures shall require that the Members submit to the mediator, within ten (10) business days of the selection of the mediator, their respective positions, in writing and that the mediator shall render a decision within ten (10) business days of the submission of the written positions of the Members.

(d) Members shall each be responsible for: (A) their own costs to participate in the non-binding mediation, including the costs for experts, attendees, graphics or otherwise; and (B) an equal share of the costs: (x) for the services of the mediator; and (y) of any administrative services used for the non-binding meditation, such as conference facilities.

(e) No mediator will have the authority to render a binding decision as to any Dispute or to impose a settlement upon the Members. The Members may reach a separate agreement in non-binding mediation that will be final and binding on the Members, subject to any necessary approvals.

(f) For the avoidance of doubt: (A) the use of non-binding mediation by the Members shall not be construed, in whole or in part, as a waiver, release or modification of any provisions of or requirements under the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. (hereinafter, the "Contractual Liability Act"), including but not limited to N.J.S.A. 59:13-5; and (B) the use of non-binding mediation shall be construed as or constitute a waiver by the Parties of any claim or defense otherwise available in any subsequent legal action, including any defense that any claim or part of a claim fails to comply with the notice provisions of the Contractual Liability Act.

13.06 Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company any right that it may have to maintain any action for partition with respect to the property of the Company.

13.07 Amendments. This Agreement, together with the other Definitive Agreements, comprises the entire agreement among the Members with respect to the subject matter hereof, and supersedes all prior agreements and understandings, written or oral, between the parties with respect thereto, whether or not relied or acted upon. The Members agree that, to the extent that any provision of this Agreement conflicts with any provision of the Side Letter, the Side Letter shall supersede each such provision and all provisions of the Side Letter are controlling. No course of conduct pursued or acquiesced in, and no oral agreement or representation subsequently made, by the Members, and no usage of trade shall amend this Agreement or the Side Letter or impair or otherwise affect any Member's obligations, rights, and remedies pursuant to this Agreement or the Side Letter. Except as otherwise set forth herein, neither this Agreement nor the Side Letter may be modified, altered, supplemented, or amended, and the terms hereof and thereof may not be waived, without the prior written consent of each Member (provided, that each Member may waive its own rights hereunder without the prior written consent of the other Member).

13.08 Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney, and other instruments necessary to comply with the Act or Applicable Law.

13.09 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

13.10 Headings. The headings in this Agreement are for convenience only and are in no way intended to describe, interpret, define or limit the scope, extent, or intent of this Agreement or any of its provisions.

13.11 Waivers. No failure of a Member to exercise, and no delay by a Member in exercising, any right or remedy under this Agreement or the Side Letter shall constitute a waiver of such right or remedy. No waiver by a Member of any such right or remedy under this Agreement or the Side Letter shall be effective unless made in a writing duly executed by such Member.

13.12 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement and the Side Letter are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have pursuant to the Act or other Applicable Law.

13.13 Severability. Each provision of this Agreement and the Side Letter shall be considered separable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable, or illegal under any existing or future law, such invalidity, unenforceability, or illegality shall not impair the operation of or affect those portions of this Agreement and the Side Letter that are valid, enforceable, and legal.

13.14 Heirs, Successors, and Assigns. Each and all of the covenants, terms, provisions, and agreements contained in this Agreement and the Side Letter shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement and the Side Letter, their respective heirs, legal representatives, successors, and assigns.

13.15 Creditors. None of the provisions of this Agreement or the Side Letter shall be for the benefit of or enforceable by any creditors of the Company.

13.16 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. Any signed counterpart may be delivered by electronic transmission (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) with the same legal force and effect for all purposes as delivery of an originally signed agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

The undersigned hereby agree, acknowledge, and certify that the foregoing Agreement constitutes the Limited Liability Company Agreement of New Jersey Bell Labs Venture Studio, LLC, a New Jersey limited liability company, adopted by the Members of the Company effective as of the date first written above.

Nokia of America Corporation

By: ____________________
Name: Kristiina Janhunen
Title: Authorized signatory

By: ____________________
Name: MARGARET G. GEZSI
Title: AUTHORIZED SIGNATORY

New Jersey Economic Development Authority

By: ____________________
Name:
Title:

The undersigned hereby agree, acknowledge, and certify that the foregoing Agreement constitutes the Limited Liability Company Agreement of New Jersey Bell Labs Venture Studio, LLC, a New Jersey limited liability company, adopted by the Members of the Company effective as of the date first written above.

Nokia of America Corporation

By: ______________________
Name:
Title:

New Jersey Economic Development Authority

By: ______________________
Name: Tim Sullivan
Title: CEO

EXHIBIT A

MEMBERSHIP LISTING

Member	Address
Nokia of America Corporation	600 Mountain Avenue New Providence, NJ 07974 Email: Nishant.batra@nokia.com; Ingrid.vitanen@nokia.com
New Jersey Economic Development Authority, Attention: Kathleen Coviello, Tim Rollender and Ram Akella	36 W. State Street Trenton, New Jersey 08608 Email:tim.rollender@njeda.gov; ram.akella@njeda.gov; kathleen.coviello@njeda.gov

EXHIBIT B

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS; PERCENTAGE INTEREST; UNITS

Member	Capital Contributions	Capital Account	Total Percentage Interest	Units
Nokia of America Corporation, a Delaware corporation.	$250,000	$250,000	50%	500,000
New Jersey Economic Development Authority	$250,000	$250,000	50%	500,000
Total:	**$500,000**	**$500,000**	**100%**	**1,000,000**

EXHIBIT C

INITIAL APPROVED ANNUAL OPERATING BUDGET

.

		YR 2025	YR 2026	YR 2027	YR 2028	YR 2029	Total 5 Yrs
Studio Concepts (qualified pitches)		6	6	7	7	8	34
#of Pre-Seed Ventures ($500/NewCo)		2	2	3	3	4	14
# of Seed Stage Ventures ($1.02M/Venture			1	2	2	3	8
CASH IN - STUDIO		**$20,000,000**					
Studio Operating Expenses							
Head of Studio, PM, Ops (3 e'ees)		$500,000	$500,000	$500,000	$500,000	$500,000	$2,500,000
Payroll Taxes (estimate 24%)		$125,000	$125,000	$125,000	$125,000	$125,000	$625,000
Misc Operation Expenditures		$200,000	$200,000	$200,000	$200,000	$200,000	$1,000,000
General & Administrative		$175,000	$175,000	$175,000	$175,000	$175,000	$875,000
Total Operating Expenses		**$1,000,000**	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$5,000,000**
	Per Company						
Pre Company Creation							$1,400,000
Vendor/Supplier Expenses	*$100,000*	$200,000	$200,000	$300,000	$300,000	$400,000	$1,400,000
IT/SW Equipments	*$100,000*	$200,000	$200,000	$300,000	$300,000	$400,000	$4,200,000
Company Funding (non Bell Labs e'ees)	*$300,000*	$600,000	$600,000	$900,000	$900,000	$1,200,000	
Total Pre-Seed Ventures	*$500,000*	**$1,000,000**	**$1,000,000**	**$1,500,000**	**$1,500,000**	**$2,000,000**	**$7,000,000**
Total Seed Stage Ventures	*$1,000,000*	**$ -**	**$1,000,000**	**$2,000,000**	**$2,000,000**	**$3,000,000**	**$8,000,000**

EXHIBIT D

FORM OF MASTER SERVICES AGREEMENT

MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT (this "Agreement"), dated as of June 30, 2025 (the "Effective Date"), is by and between Nokia of America Corporation, a Delaware corporation (the "Service Provider"), and New Jersey Bell Labs Venture Studio, LLC, a New Jersey limited liability company (the "Company") (each a "Party", as the context requires, and collectively, the "Parties").

WHEREAS, the Service Provider is a member of the Company, serves as the Company's Administrative Manager, and is party to that certain Limited Liability Company Agreement of the Company, dated as of June 30, 2025 (as amended and supplemented by the Side Letter, the "Operating Agreement");

WHEREAS, all capitalized terms used but not defined herein shall have the meaning specified in the Operating Agreement;

WHEREAS, the Company seeks to benefit from the expertise and capacities of the Service Provider; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and in the Operating Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Service Provider and the Company agree as follows:

1. Provision of Services.

1.1 Agreement to Provide Services. Upon the terms and subject to the conditions contained herein, the Company and the Service Provider hereby agree that the Service Provider shall provide to the Company the services as set forth in Section 3 below and Schedule A hereto (each, a "Service", and collectively, "Services").

2. Service Provider Personnel.

2.1 General. Service Provider will, throughout the term of this Agreement, provide the Services as required. The provision of the Services will be delivered by employees, agents, contractors and/or consultants under the direction of the Service Provider and its Affiliates (as defined in the Operating Agreement) (such personnel, collectively, the "Service Provider Personnel"). Notwithstanding anything hereunder to the contrary, the Service Provider may designate one or more of its Affiliates to provide some or all of the Services (each, a "Designated Affiliate") in compliance with the terms of the Operating Agreement.

2.2 Employment or Engagement. The Service Provider Personnel will be and remain employees or contractors of, or consultants to, the Service Provider (or its applicable Designated Affiliate) and not of the Company. As between the Service Provider and the Company, the Service Provider shall be solely responsible for the payment of the compensation of the Service Provider Personnel, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits, and any other employment-related benefits.

3. Scope of Services.

3.1 The Services shall be as set forth in the applicable Approved Annual Operating Budget and may include, without limitation, the following:

(a) Accounting and Finance. Accounting services, which include accounting support services to assist in the maintenance of a system of accounting for the Company and the preparation of audited and unaudited balance sheets, statements of income and results of operations and cash flows.

(b) Information and Technology. Information and technology ("IT"), which services include management and maintenance of IT resources and staffing to support IT needs, management of information security and communications systems, database support, disaster recovery, support of core systems and support of maintenance contracts, equipment and software.

(c) Engineering and Science Advisors. Advisory services from Service Provider Personnel with expertise in science, engineering, mathematical, and other technical fields.

(d) Legal. Legal services, which include general corporate legal support, compliance services, support with respect to intellectual property matters, and other legal services.

(e) Tax. Tax services, which include tax support and tax compliance services as may be necessary to ensure that the Company complies with applicable tax laws and tax consulting services relating to research and planning.

(f) Branding. Usage of certain Nokia IP (including trademarks), brands and goodwill in connection with the business of the Company.

(g) Access to Service Provider Expertise. Access to expertise of the Service Provider (and its Designated Affiliates) relating to, among other things, Participant Company formation and fundraising, grant applications and intellectual property and technology matters.

(h) Administrative Manager. The services required to be performed by the Administrative Manager as provided in the Operating Agreement.

(i) Ancillary Services. Any other reasonable services, functions or responsibilities not specifically described in this Agreement that are required, necessary, inherent, customary or useful for the proper performance of the tasks and objectives that are described in this Agreement or otherwise needed to conduct the business of the Company.

3.2 General. Service Provider will, throughout the term of this Agreement, provide the Services as required. The provision of the Services will be delivered by the Service Provider Personnel under the direction of the Service Provider and its Designated Affiliates.

4. Payment.

4.1 Service Value. In consideration for the Service Provider's (or its Designated Affiliates') provision of the Services and in accordance with the applicable Approved Annual Operating Budget, the Service Provider will be compensated in an amount equal to all costs and expenses incurred by the Service Provider (or its Designated Affiliates) in connection with the provision of the Services (collectively, the "Service Value") as determined pursuant to Section 4.2 below. The applicable Approved Annual Operating Budget will set forth the projected amount of Service Value under this Agreement for each corresponding Fiscal Year (each, a "Projected Service Value").

4.2 Compensation. The Approved Annual Operating Budget for each Fiscal Year will set forth, on an itemized basis, the portions of the Projected Service Value (and the corresponding Services) for which, respectively, (a) the Company will pay the Service Provider an amount in cash corresponding to such portion of the Projected Service Value (the "Cash Fee") and (b) the Service Provider will be deemed to have made a Nokia In-Kind Contribution corresponding to such portion of the Projected Service Value pursuant to Section 6.02 of the Operating Agreement. The Service Provider will provide the Company with a reconciliation of the Service Value actually provided against the Projected Service Value upon reasonable request from the Company, but no less frequently than within thirty (30) days following the end of each quarter of the Fiscal Year. To the extent the Service Value actually provided by Service Provider exceeds the Projected Service Value set forth in the applicable Approved Annual Operating Budget, the Board must approve any payment exceeding such Projected Service Value in the applicable Approved Annual Budget.

5. No Control, Partnership or Joint Venture. In the performance of the work, duties, and obligations assigned to each of the Parties to this Agreement and in regard to any Services rendered or performed, it is mutually understood and agreed that the Service Provider (and its Designated Affiliates) and the Company are at all times independent contractors. No work, act, commission, or omission of either Party, or its Affiliates, agents or employees pursuant to the terms and conditions of this Agreement shall make or render the Service Provider (or its Designated Affiliates), on the one hand, and the Company, on the other hand, agents, or employees of, or joint venturers with, one another.

6. Indemnification; Exculpation. The Company shall indemnify and hold harmless the Service Provider, its officers, directors, investors, parents, joint venturers, members, Affiliates, employees and assigns from and against all actions, costs, claims, damages, expenses, fees (including reasonable legal fees and disbursements), liabilities and losses (collectively, "Losses") arising out of or relating to each Party's conduct in the performance of its obligations under this Agreement solely to the extent such Losses are attributable to such indemnifying Party's gross negligence, willful misconduct or fraud.

7. Term and Termination.

7.1 Term of Services. The term of this Agreement shall expire concurrently with the expiration of the Program Operations Period, as extended from time to time pursuant to the terms of the Operating Agreement.

7.2 Effect of Termination. Upon any termination or expiration of this Agreement, Sections 5, 6, 7, and 8 will survive, and the Parties shall remain liable for their respective obligations accrued and not fully performed under this Agreement during the term of this Agreement.

8. General Provisions.

8.1 Confidentiality. All information shared by the Service Provider (or its Designated Affiliates) in connection with its performance of the Services that would constitute Confidential Information shall be subject to the terms of Article IX of the Operating Agreement, which is incorporated herein by reference *mutatis mutandis*.

8.2 Intellectual Property Matters. It is hereby acknowledged and agreed that the terms of Section 7.01(e) of the Operating Agreement shall apply with respect to any Nokia Background IP provided by Service Provider (or its Designated Affiliates) to the Company in connection with the performance of the Services.

8.3 Assignment. The Company may not assign, transfer or delegate its rights and obligations hereunder in whole or in part without the prior written consent of the Service Provider. The Service Provider may assign, transfer or delegate its rights and obligations hereunder to any Designated Affiliate from time to time but not to any other third party that is not a Designated Affiliate.

8.4 Successor and Assigns. The terms of this Agreement, including, but not limited to, Section 4 hereof, are binding on and inure to the benefit of the Parties to this Agreement and their respective permitted successors and permitted assigns.

8.5 Amendments. No amendment to this Agreement shall be effective unless it is in writing and signed by the Service Provider and the Company.

8.6 No Third-Party Beneficiaries. This Agreement benefits solely the Parties to this Agreement, the Designated Affiliates, the NJEDA Member and their respective permitted successors and assigns and nothing in this Agreement, express or implied, confers on any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

8.7 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. Any signed counterpart may be delivered by electronic transmission (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) with the same legal force and effect for all purposes as delivery of an originally signed agreement.

8.8 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

8.9 Governing Law. This Agreement, including all of its exhibits, schedules, attachments and appendices, and all matters arising out of or relating to this Agreement, are governed by, and construed in accordance with, the laws of the State of New Jersey, without regard to the conflict of law provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of New Jersey. The Parties agree that all disputes arising between the Parties in connection with this Agreement shall be exclusively brought in the State and Federal courts located in New Jersey.

8.10 Waiver. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

8.11 Notices. All correspondence or notices required or permitted to be given under this Agreement shall be in writing, in English and addressed to the other Party at its principal place of business (or to any other address that the receiving Party may designate from time to time). Each Party shall deliver all notices by personal delivery, nationally recognized overnight courier (with all fees prepaid), or e-mail (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a notice is effective only (i) upon receipt by the receiving Party and (ii) if the Party giving the notice has complied with the requirements of this Section 8.11.

8.12 Entire Agreement. This Agreement, the Operating Agreement and the Side Letter constitute the sole and entire agreement of the Service Provider and the Company with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, regarding such subject matter.

(*Signature Page Follows*)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

NOKIA OF AMERICA CORPORATION

By:___________________________________
Name:________________________________
Title:_________________________________

By:___________________________________
Name:________________________________
Title:_________________________________

NEW JERSEY BELL LABS VENTURE STUDIO, LLC

By:___________________________________
Name:________________________________
Title:_________________________________

EXHIBIT E

QUARTERLY REPORT

The Venture Studio shall quarterly prepare and submit detailed, written progress reports to NJEDA and unaudited financials.
Annually, the Venture Studio shall provide audited financials and K-1 statement prepared by a qualified accounting firm approved by the Board of Directors.

These reports will include:
• Program overview and development
• Upcoming list of activities and programs
• Identify risks and plans to mitigate such risks
• Summary of program results and metrics, including:
o Funding raised by Participant Companies (e.g., grants, venture capital)
o Mentorship network
o Participant Company failure rate (starting in Year 2)
o Related jobs created in the State from Participant Companies
o Demographic profile of each Participant Company, including (i) geographic origin of the company and (ii) whether any company is a State-certified minority- or women-owned business enterprise
o Media coverage of activity and events
o Thought leadership activity via events, web visits, web blogs, YouTube, social media & podcasts

Exhibit F

Bell Labs Murray Hills, New Jersey (600 Mountain Ave, Murray Hills, NJ)

- Space will be made available in Building 7E, with approximately 5,000 square feet of office and lab space (to include work benches for prototyping and testing).
- Such space is anticipated to be sufficient to house 5 Participant Companies, including up to a maximum of 40 personnel in the aggregate.
- The Nokia Member will provide convenient and secure access to such space for relevant Company and Participant Company personnel.
- A separate and dedicated WIFI and wired network for the studio will be made available to Participant Companies' personnel, contractors, and guests.
- The operational costs borne by the Nokia Member in connection with such space, as set forth in the Approved Annual Operating Budget, shall constitute Nokia In-Kind Contributions for all purposes of the Agreement. Such costs are anticipated to include, without limitation:
    - o Lease cost: $40 per square foot per annum.
    - o Utility costs: $____ per annum.
    - o Insurance costs: $_____ per annum.
    - o Network/IT costs: $_____ per annum.

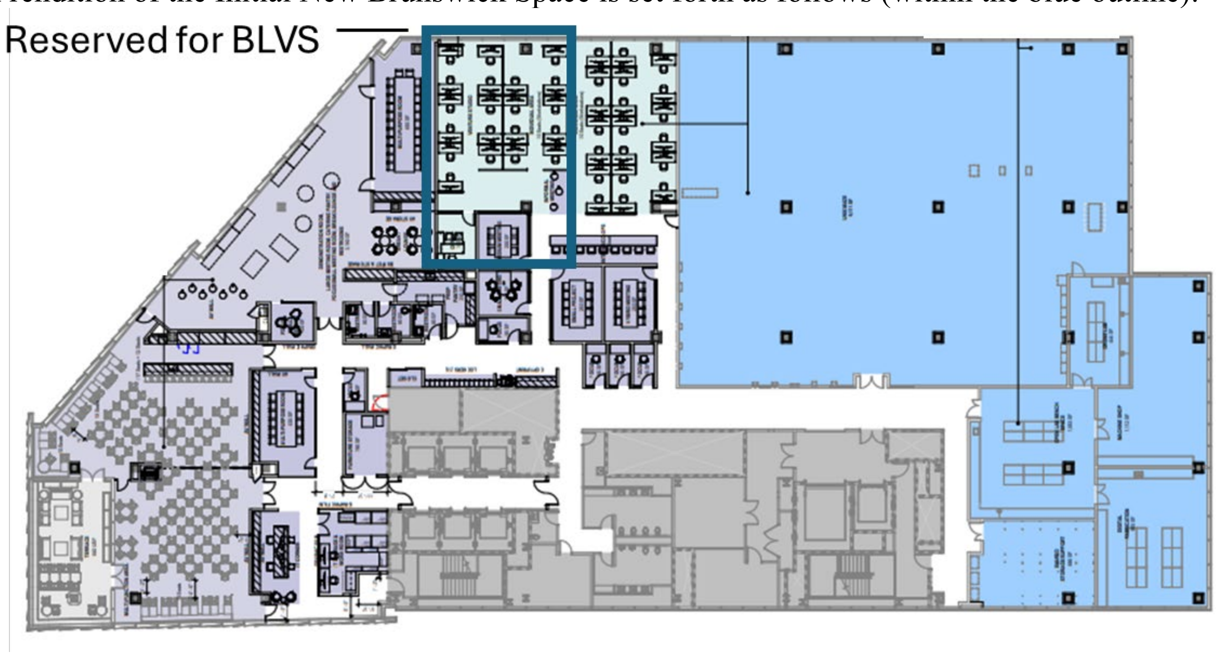
A rendition of such space is set forth as follows (within the blue outline):

Bell Labs New Brunswick, New Jersey (120 Albany Street, New Brunswick, NJ)

- Space will be made available on floor 6, with approximately 2,000 square feet of office and lab space (to include work benches for prototyping and testing) (the "Initial New Brunswick Space"). In addition, the Nokia Member may elect to make an additional 3,000 square feet of office and lab space available at such facility in connection with one or more Pre-Company Creations (the "Additional New Brunswick Space").
- The Initial New Brunswick Space is anticipated to be sufficient to house 5 Participant Companies, including up to a maximum of 40 personnel in the aggregate.
- The Nokia Member will provide convenient and secure access to the Initial New Brunswick Space and Additional New Brunswick Space for relevant Company and Participant Company personnel.

- A separate and dedicated WIFI and wired network for the studio will be made available to Participant Companies' personnel, contractors, and guests.
- The operational costs borne by the Nokia Member in connection with the Initial New Brunswick Space and Additional New Brunswick Space, as set forth in the Approved Annual Operating Budget, shall constitute Nokia In-Kind Contributions for all purposes of the Agreement. Such costs are anticipated to include, without limitation:
    - Lease cost: $40 per square foot per annum.
    - Utility costs: $____ per annum.
    - Insurance costs: $_____ per annum.
    - Network/IT costs: $_____ per annum.

A rendition of the Initial New Brunswick Space is set forth as follows (within the blue outline):



SCHEDULE A

OFFICERS OF THE COMPANY

Chief Executive Officer: Mike Chen

MEMORANDUM

TO: Members of the Authority

FROM: Evan Weiss
Chief Executive Officer

DATE: July 22, 2026

SUBJECT: New Jersey Innovation Evergreen Fund: July 2026 Qualified Investment Approval

SUMMARY

The Members are asked to approve a Qualified Investment presented today under the New Jersey Innovation Evergreen Program ("Program") for an application submitted by SYN Ventures Management LLC ("SYN Ventures" or "SYN"), a Qualified Venture Firm ("QVF") to invest into Cranium AI, Inc ("Cranium AI" or "Cranium"). The Qualified Investment recommendation is for an investment up to $5,000,000 with additional management fees and expenses reserved as described in this memorandum. The approval will allow Staff to utilize Program funds to execute a Qualified Investment into a Qualified Business alongside SYN Ventures. Additionally, upon approval of this investment, Staff will reserve Program capital for management fees, direct administrative expenses, and subsequent follow-on investments as authorized in Program regulations and described in this memorandum.

BACKGROUND

The New Jersey Innovation Evergreen Act ("Act") (N.J.S.A 34:1B-288 to 302) was signed into law by Governor Murphy as part of the Economic Recovery Act of 2020 (N.J.S.A. 34:1B-269 *et seq*.). In April 2022, the Board of the Authority approved specially adopted and concurrently proposed New Jersey Innovation Evergreen Fund regulations (N.J.A.C. 19:31X-1.1 *et seq*.), which were approved for submission to the Office of Administrative Law for publication in the New Jersey Register as final adopted rules in March 2023. The Act established both the New Jersey Innovation Evergreen Fund ("NJIEF", or "Evergreen Fund") and the Program, which supports the private sector's investment in high growth New Jersey-based companies. The Program will increase venture capital funding available to the State's innovation ecosystem and create the conditions necessary for entrepreneurs to succeed. As of June 25, 2026, approximately $65 million of unallocated capital remains available for Program investments and expenses.

To invest the Evergreen Fund monies, the Program establishes an application process through which venture firms first may apply for designation as a QVF. Applications for QVFs opened on December 16, 2022, and as of June 25, 2026, 36 Qualified Venture Firms have been approved to operate on the platform. Qualified Venture Firms are approved by staff pursuant to an updated delegated authority approved by the Members on April 10, 2024.

Qualified Investment Review Process

To access Program co-investment capital, Qualified Venture Firms may apply for Qualified Investments on a rolling basis. Applications for Qualified Investments opened on May 23rd, 2023. NJEDA Staff recommendations are presented to the Members for consideration upon completion of eligibility review of the Qualified Business and Qualified Venture Firm associated with the Qualified Investment transaction. Such Qualified Investments in New Jersey-based businesses must receive co-investment from the Qualified Venture Firm that matches or exceeds the Qualified Investment amount. Upon approval for a Qualified Investment and as required by the Program rules, Qualified Venture Firms will establish a special purpose vehicle ("SPV") to facilitate the Qualified Investment transaction between the Evergreen Fund, the Qualified Venture Firm, and the Qualified Business. As the Evergreen Fund's investments mature and experience exit events (e.g. a sale or initial public offering), the proceeds from profitable investments will flow back to the Evergreen SPV. Proceeds will be used to make carried interest payments to the Qualified Venture Firm and to transfer remaining capital back to the Evergreen Fund, providing an ongoing stream of funds to support the State's innovation ecosystem.

Qualified Venture Firms may apply to the Authority to access capital in the Evergreen Fund to make up to two initial Qualified Investments per year into eligible New Jersey-based high-growth businesses. Applications must be submitted to the EDA within 90 days of the date of the transaction by the QVF into the high-growth business. Each request for a Qualified Investment may be as much as the Program investment limit of $10M, or up to $12.5M for businesses that meet any of the following criteria: i) certified by the State as a "minority business" or "women's business" pursuant to P.L. 1986, c. 195 (N.J.S.A. 52:27H-21.17 et seq.), ii) considered a NJ university spin-off business, or iii) utilizes intellectual property that is core to its business model and was developed at a NJ-based college or university.

The recommendation presented to Members for consideration this month is an investment of up to $5,000,000 of Program capital alongside SYN Ventures into the innovative, high-growth company, Cranium AI. The Program investment will match an investment from SYN Ventures of $10,000,000 executed through its $300 million fund SYN Ventures Fund II LP. The proposed Qualified Investment will be contingent upon SYN Ventures successfully executing its own investment into the business at least matching any Program Qualified Investment. Following approval by the Members, the Program will reserve an additional $431,250 for management fees and $190,000 for direct administrative expenses required to execute and manage the Qualified Investment.

Please refer to **Appendix A** for a summary of SYN Ventures and an overview of the firm's eligibility as a Qualified Venture Firm. Please refer to **Appendix B** for a summary of Cranium AI and of the business's eligibility as a Qualified Business. Finally, please refer to **Appendix C** for an overview of the proposed Qualified Investment transaction terms and related reserves for follow-on investments, transaction management fees, and direct administrative expenses.

QUALIFIED INVESTMENT REQUIREMENTS

Qualified Venture Firms may submit applications for Qualified Investments funded by the Program after receiving NJEDA Board approval as a Qualified Venture Firm or in conjunction with an application for certification as a Qualified Venture Firm. While applications for Qualified Investments are submitted by Qualified Venture Firms, the applications contain information about both the Qualified Venture Firm and the proposed Qualified Business seeking capital. Staff conducts reviews of investment applications on a first-come, first-served basis and screen both Qualified Venture Firms and proposed Qualified Businesses as part of the transaction for eligibility.

The Program investment underwriting process is completed by the NJEDA Venture Programs Department in parallel with the Product Operations Department to ensure objectivity and is limited to an eligibility review of the Qualified Investment, Qualified Venture Firm, and proposed Qualified Business. The eligibility review contains various statutory requirements that ensure the financial merit of the proposed investment, such as requiring certain experience and assets under management by the Qualified Venture Firm, as well as requiring an investment by the Qualified Venture Firm's main fund that is at least equal to the amount of the Qualified Investment. The latter ensures that the Qualified Venture Firms share aligned interests with the NJEDA through incentive based carried interest compensation to identify strong investment opportunities. However, the Program does not establish any additional review by staff for the financial merits of the proposed investment. Qualified Venture Firms will evaluate the quality of investment opportunities through their normal course of business. For a detailed description of Program eligibility and compliance requirements, see **Appendix D**.

FOLLOW-ON INVESTMENT REQUIREMENTS

The Program authorizes subsequent follow-on investments alongside Qualified Venture Firms into Qualified Businesses after the initial Qualified Investment. The Authority shall have the right, but not the obligation, to make a follow-on investment from the Evergreen Fund into the Qualified Business. Follow-on investments will be made on a pro rata basis with the Qualified Venture Firm's investment at the same ratio, which the Evergreen Fund matched the initial Qualified Investment.

The screening process for follow-on investments requires NJEDA Staff to verify that firms and businesses continue to meet Program requirements, and that the transaction conforms to Program eligibility and concentration limits. Staff will also screen for any clear signs of financial, reputational, or legal risks. As previously approved by the Board of the Authority, follow-on investments may be approved under delegation to the Authority's Chief Executive Officer (with certain exceptions) to best match operational needs and intensity with the expectations of the private market transaction.

RECOMMENDATION:

Based on the evaluation conducted by Authority staff, according to the criteria established by the Act, and clarified through Program regulations and the April 2022 Program Board memorandum, approval for an amount up to a $5,000,000 is requested. The Qualified Investment will occur alongside SYN Ventures matching investment of $10,000,000 into the innovative, high-growth New Jersey-based company Cranium AI. Upon approval, staff will reserve up to an additional $431,250 for Program management fee expenses and up to an additional $190,000 for direct administrative expenses associated with the transaction. To align in lock-step proportion with the amount reserved for subsequent follow-on investments into Cranium AI by SYN Ventures Fund II, LP, the Program will reserve $2,500,000 for follow-on investments. Updated reserve estimates will be provided no less than annually by the Qualified Venture Firm, which will inform periodic changes to Program reserves. The recommendation for approval is conditioned on the execution of Program closing agreements.

Evan Weiss, Chief Executive Officer

Prepared by:
Kremena Mironova – Senior Product Officer, Venture Products

Attachments:
Appendix A – Summary of Qualified Venture Firm and Eligibility
Appendix B – Summary of Qualified Business and Eligibility
Appendix C – Confidential Summary of Transaction Details
Appendix D – Detailed Program Eligibility and Compliance Requirements

Appendix A – Summary of Qualified Venture Firm and Eligibility

SYN Ventures Overview

SYN Ventures is a specialized cybersecurity-focused venture capital firm built and led by experienced operators, security executives, and former Chief Information Security Officers (CISOs). The firm emphasizes early-stage (primarily Seed, Series A, and Series B) investments in security companies with the potential to become market-defining players. Its differentiation comes from the team's strong operator background, hands-on involvement with portfolio companies, and a broad advisory network of industry-leading CISOs.

The firm has raised approximately $920 million across its flagship and seed funds, intentionally maintaining smaller fund sizes, such as $300 million flagship vehicles and $100 million seed funds, to preserve performance discipline and avoid the "bigger is better" dynamic common in private equity. This approach enables the team to stay focused and selective in deploying capital. Beyond investment, the firm is deeply involved in hands-on portfolio support, providing operational guidance and strategic partnership well beyond capital deployment.

The firm's limited partner base is composed of a strong group of institutional and strategic investors. The LP composition for the firm's most recent flagship fund reflects this institutional strength, with approximately 75% institutional investors, 15% family offices, and 10% strategic corporate partners.

Strategy

SYN Ventures investment focus centers on key areas within modern cybersecurity, including AI security, enterprise cybersecurity tools, risk management, infrastructure security, and third-party and supply-chain security. Together, these domains reflect a comprehensive approach to safeguarding emerging technology ecosystems. The investment strategy supporting these sectors is grounded in the "four T's" of venture evaluation - Team, TAM (total addressable market size), Technology, and Timing - with particular emphasis on the strength and quality of the team as the most decisive factor in assessing opportunities. Each year, SYN Ventures sees 500+ security startups at the Seed–Series C stages, giving the firm broad visibility into market trends, competitive landscapes, and emerging opportunities.

Notable themes in the firm's strategy include an early-stage investment focus paired with highly selective scaling. The team invests primarily in Seed and Series A financing rounds but doubles its investment when a company shows clear breakout potential. In addition, the firm brings deep third-party ecosystem expertise, drawing on the prior experience of the founders in building leading third-party risk platforms such as Prevalent and CyberGRX. This background gives the team insight into supply-chain security challenges - an increasingly central pillar of their AI security thesis.

Investment and Management Team

SYN Ventures was co-founded by Jay Leek and Art Coviello. The broader leadership team includes former CTOs, CEOs, CISOs, founders, and global operators from companies such as McAfee, Silence, Obsidian Security, and major telcos and enterprises. Additionally, SYN Ventures has established an extensive and uniquely structured CISO Advisory Board composed of active, senior enterprise CISOs who operate under compliance-approved safe-harbor agreements. These advisors provide real-world security program insights - including challenges, risks, and breach learnings - and play an influential role in shaping both investment decisions and product direction. This structure offers a significant strategic advantage, exceeding the capabilities of traditional venture capital advisory boards.

Jay Leek is the Managing Partner and Chairman of SYN Ventures. Jay Leek was previously the Chief Information Security Officer (CISO) at The Blackstone Group L.P. where he also shared responsibility for identifying, structuring, evaluating, executing, and overseeing Blackstone Innovations' portfolio of information security investments.

Prior to joining Blackstone in 2012, Jay Leek established, built and headed up global information risk and security programs for Equifax and Nokia. Throughout the past 23+ years, he has also worked as a product manager for information security vendors as well as a consultant to numerous telecom companies, government agencies, and financial institutions, assisting them with business development, strategic planning and architectural design required to meet their information risk and security objectives. He holds a B.S. from Capella University in information assurance and security, and is a Certified Information Security Manager, Certified Information Systems Security Professional and Certified Information Systems Auditor.

Art Coviello is Managing Partner and Investment Committee Chairman of SYN Ventures. Art Coviello previously served as President and CEO of RSA Security, a leading publicly traded cyber security company purchased by EMC Corporation for over $2 billion. Following the acquisition, he served as Executive Vice President of EMC and led its Security Division. EMC Corporation was subsequently acquired by Dell in 2016.

Since stepping down from RSA in 2015 Art Coviello has been an active investor and advisor in the technology industry, guiding a number of startups as a private investor and in his roles as an advisor to SYN Ventures Security Fund, and as a senior advisor to Blackstone's Tactical Opportunities Group. Mr. Coviello has been a central figure within the information security industry for more than 25 years. Prior to RSA, Mr. Coviello had extensive executive management experience in several technology companies. He started his career as a certified public accountant at Deloitte, Haskins & Sells (Deloitte). Art Coviello graduated magna cum laude from the University of Massachusetts in 1975 with a BBA, concentration in accounting.

Dan Burns is Investment Committee Chairman for Seed Funds of SYN Ventures.

Dan Burns is a seasoned business and cybersecurity executive with more than 28 years of industry experience. He is best known as the CEO and Co-founder of Optiv, created in 2015 through the merger of Accuvant and Fishnet Security, which became a dominant cybersecurity solutions provider with over $2 billion in revenue. Before serving as Optiv's first CEO, Dan spent a decade leading Accuvant's sales organization, helping grow the company into a national leader serving nearly half of the Fortune 500 and generating $740 million in revenue by 2014. Earlier in his career, he held senior sales and leadership roles at OneSecure - where he helped launch the first intrusion prevention system - and at Exault, Access Graphics, ArrowPoint, and Netrex. Dan Burns holds a B.A. in economics from San Jose State University.

Adam Cecil is Chief Operating Officer and Operating Partner at SYN Ventures. Adam Cecil leads the firm's operations, portfolio operations, and engagement with portfolio company CFOs. He spent his 30+ year career as a finance professional and business executive spanning early-stage startups to Fortune 50 companies.

Most recently, Mr. Cecil was Chief Financial Officer at CyberGRX, a leading third-party cyber risk assessment provider (acquired by Marlin Equity Partners). Prior to that, he served as the Chief Financial Officer at Protectwise, a SaaS-enabled enterprise security platform that captures high fidelity network trafficking, creates a lasting memory for the network, and delivers real time and retrospective alerting and analysis (acquired by Verizon). Mr. Cecil also previously served as Chief Financial Officer at CommercialTribe and Chief Financial Officer and Chief Operating Officer at AlchemyAPI (acquired by IBM). He was also a Vice President at Rally Software from Series B through IPO (NYSE: RALY). Mr. Cecil began his career at PepsiCo in the finance department and went on to MediaOne (AT&T) as well as holding positions in consulting and banking. He received his bachelor's degree in accounting & finance from the University of Colorado and his Masters of Finance from University of Denver.

New Jersey Investment History

SYN Ventures has been supporting Cranium AI's growth with investments in their prior fundraising rounds demonstrating their conviction in the company's potential for growth.

<u>Appendix B – Summary of Qualified Business and Eligibility</u>

<u>Cranium AI Business Overview</u>

Founded in 2023 as a spin-out from KPMG's startup incubator, Cranium AI provides organizations with tools to map, monitor, test, and govern their machine learning (ML) and Generative AI systems against adversarial threats and compliance risks, including systems from third-party vendors. The company previously participated in the NJ FAST accelerator program, an NJEDA Strategic Innovation Center accelerator program managed by Plug and Play.

Headquartered in Short Hills, Cranium AI is a fast-growing company that helps enterprises see, secure and govern the AI they build and use. The platform discovers the AI models and applications in use across an organization, tests them for vulnerabilities, documents them for audit and compliance, and maps controls to emerging regulation; a Vendor AI Scorecard extends the same visibility to third-party and supply-chain AI. Cranium's recent acquisition of AIceberg (announced May 21, 2026) combines Cranium's AI security and governance platform with AIceberg's runtime "AI firewall" to form an independent, end-to end agentic AI security platform. AIceberg's "AI firewall" sits between employees and autonomous agents and the AI systems they use, blocking unsafe prompts, preventing sensitive data leakage, and stopping AI agents from acting outside approved bounds. Together the two cover the full picture – governing AI across its lifecycle and protecting it live, including the autonomous agents enterprises are now deploying. This complete approach sets Cranium AI apart, especially as new laws and industry standards emerge.

Cranium AI is widely seen as a standout innovator in the quickly growing field of AI security. Its reputation has been strengthened by major real-world deployments - especially at large financial institutions - where Cranium helps both companies and their partners use AI safely without risking regulatory issues. The company boasts a strong customer roster across the telecom, technology, life sciences, and financial services sectors, with each vertical anchored by major enterprise clients. In life sciences sector, the company's growth and customer base is anchored by its relationship with Johnson & Johnson. JP Morgan Chase represents an anchor customer is the financial services sector and AT&T in the telecom sector. Additional prominent customers include KPMG, FIS, Telstra, Kenvue, Teladoc, and Pfizer. Cranium AI has also been developing channel partners like WWT, Optiv, Echelon Cyber, ISTARI and CoreWeave, giving the company distribution leverage without scaling direct sales linearly.

<u>Team</u>

<u>Jonathan Dambrot, CEO</u>, is a former Senior Partner at KPMG and cyber security industry leader. At KPMG he led third-party security globally, AI Security services, and incubated Cranium.AI. Prior to KPMG, he served as CEO of Prevalent, a leader in third-party risk management before its sale to Insight Venture Partners in late 2016.

Jonathan received his MBA from The Pennsylvania State University, is a Certified Information Systems Security Professional (CISSP), and Certified Third-Party Risk Professional (CTPRP).

<u>Felix Knoll is the COO/CRO</u> and co-founder of Cranium and leader of the go-to-market organization. Prior to Cranium, his experience was leading Go-to-Market at the KPMG Studio innovation incubator/accelerator. His experience before KPMG was in leading Go-to-Market for multiple successful cybersecurity and SaaS start-ups. He got his start in cybersecurity at Symantec where he was the North American Sales Leader for MDR and GRC.

Alex Schlager (Chief Technology Officer) joined Cranium in 2026 through the acquisition of AIceberg, which he founded and led as CEO. Previously, he served as Chief Product Officer for Cybersecurity at Verizon, with earlier leadership roles at T-Systems and Cisco.

Vivek Radia (Chief Financial Officer) joined Cranium in April 2024 to lead financial planning, fundraising, capitalization table management, and audit. He brings over two decades of finance and operations leadership, most recently as Global EVP of Finance & Corporate Functions at Real Chemistry, where he scaled the finance organization through hypergrowth and IPO preparation. He also previously held divisional CFO/COO roles across Digitas and Lockheed Martin/PAE. He began his career at Lockheed Martin and studied at Purdue University.

Eligibility

NJEDA Staff finds the proposed Qualified Business, Cranium AI, meets all Program Qualified Investment eligibility requirements**.** As described in Table 1 below, the New Jersey -based, high-growth, innovative business maintains a place of business and its principal business operations in New Jersey. The business meets the requirements for maintaining its principal business operations in New Jersey based on updated standards signed into law in June 2025 (N.J.S.A. 34:1B-289). Specifically, the business is headquartered in Short Hills, New Jersey and New Jersey is also the work location for the largest percentage of the business's full-time employees. The Short Hills, New Jersey headquarters is the company's sole physical office, and represents the location in which the CEO directs, controls, and coordinates the activities of the business. Additionally, the business falls within the Qualified Business size limit of fewer than 250 full-time employees. Cranium AI operates in the Program-targeted information and high technology industry and satisfies the Program's high-growth test using its trailing twelve month revenue growth rate that exceeds 25% as of the end of April 2026. Finally, the proposed Qualified Investment size of $5,000,000 is within the Program limit on investment size of $10M in initial investment, or $12.5M in certain exception cases described in Table 1 below.

Table 1: Cranium AI Eligibility Review

Criteria	Criteria Explanation	Eligibility
NJ Principal Business Operations	Qualified Businesses must maintain principal business operations in New Jersey, defined as any of the following: (i) at least 50 percent of its full-time employees reside in New Jersey, (ii) at least 50 percent of the business's payroll (defined as wages) for full-time employees is paid to individuals living in the State, (iii) at least 50 percent of its full-time employees filling a position in the State, (iv) at least 50 percent of the business's payroll (defined as wages) for full-time employees is paid to individuals filling a position in the State, or (v) the location where the business's high level officers direct, control and coordinate the business's activities is in New Jersey and New Jersey has the largest percentage of the business's U.S. based full-	Cranium AI is headquartered in Short Hills, New Jersey. The C-suite team is based in New Jersey, and New Jersey has the highest percentage (25%) of the business's U.S. -based FTEs relative to other states.

	time employees who are not primarily engaged in retail sales.	
NJ Place of Business	Qualified Businesses must maintain a place of business in New Jersey, such as an office, manufacturing facility, or co-working space.	Cranium AI's corporate headquarters is located at the Industrious co-working space in Short Hills, New Jersey.
Targeted Industry	Qualified Investments will be restricted to businesses operating in one of the following program targeted industries: advanced transportation and logistics, advanced manufacturing, aviation, autonomous vehicle and zero-emission vehicle research or development, clean energy, life sciences, hemp processing, information and high technology, finance and insurance, professional services, film and digital media, non-final point of sale retail food and beverage businesses, including food innovation, and other innovative industries that disrupt current technologies or business models. Qualified Business shall be considered to be in a targeted industry if the business is engaged primarily in a targeted industry.	Cranium AI operates in the Program-targeted Information and High Technology sector.
Limit on Business Size	Qualified Businesses must employ fewer than 250 full-time employees.	Cranium AI maintains 56 U.S.-based full-time employees.
High-growth Business	Qualified Businesses must demonstrate they are high-growth business by meeting one of the Program's high-growth tests. To meet the program's high-growth test, Qualified Businesses may demonstrate trailing twelve-month revenue or customer growth of at least 25% as of the most recent quarter-end, or valuation growth of 25% since their prior fundraising round. Businesses that are too early in their life cycle to record one year of sales or customers and that have not previously raised third-party equity capital may demonstrate they meet the Program's high-growth test through third-party projections. For these businesses, Qualified Venture Firms may submit their base case projections and businesses may be considered high-growth if the projections demonstrate 25% revenue, customer, or valuation	Cranium AI satisfies the Program's high-growth test through revenue growth of 176% (from $1.3 million to $3.5 million) for the trailing 12-month period ending April 30, 2026.

	growth in any, one-year period over the subsequent 3-5 years.	
Qualified Investment Amount Limit	Each qualified investment shall not exceed $10,000,000 in initial investment, exclusive of follow-on investments; provided, however, if a qualified investment is in a business: (a) which utilizes intellectual property that is core to the its business model and was developed at a New Jersey-based college or university; (b) is considered a university spin-off business as determined by the authority; or (c) is certified by the State as a "minority business" or a "women's business" pursuant to P.L.1986, c.195 (C.52:27H-21.17 et seq.), then the qualified investment shall not exceed $12,500,000 in initial investment, exclusive of follow-on investments.	The proposed $5,000,000 Qualified Investment is less than Program Qualified Investment amount limit.

Note: Table 1 depicts the Program's primary Qualified Business eligibility requirements, however the Program maintains additional technical requirements, such as the requirement to register to do business in the State.

Appendix D – Detailed Program Eligibility and Compliance Requirements

QVF and Investment Requirements at Time of Initial Qualified Investment

QVFs must demonstrate continued compliance with Program initial certification requirements described in this memorandum through the time of approval for a Qualified Investment. The firms are not re-evaluated based on the Program's weighted scoring criteria at the time of application for Qualified Investment. Continued eligibility requirements for Qualified Venture Firms required at the time of application for initial Qualified Investments include, but are not limited to, those described below, which are further defined in the Program regulations.

1) Number of Investors Employed by the Firm: QVFs must continue to employ at least two full-time investors with the authority to direct investment capital with at least five years of professional money management experience (each) at the time of application.

2) Minimum Assets Under Management: QVFs must continue to maintain at least $10,000,000 in assets under management at the time of application.

3) Limit on Size and Number of Investments: QVFs may only complete up to two qualified investments per calendar year. Applications for investments shall not be less than $100,000 per Qualified Investment and must be limited to $10,000,000 per investment. If the proposed Qualified Business is a New Jersey university spin-off, utilizes intellectual property developed at a NJ university that is core to its business model, or is certified by the State as a "minority business" or a "women's business" pursuant to P.L. 1986, c. 195 (N.J.S.A. 52:27H-21.17 et seq.)., the businesses may qualify for a Qualified Investment of up to $12,500,000.

In cases where multiple Qualified Venture Firms apply for investments into the same business, applications will be approved on a first-come, first-served rolling basis until the initial investment dollar limit for any given business is reached. Multiple firms can invest into the same Qualified Business up to a $10,000,000 aggregate initial investment limit, or $12,500,000 limit for select types of companies, if the investments occur in the same fundraising round.

4) Concentration Limits on Qualified Venture Firms: To mitigate concentration risk, Qualified Venture Firms may only receive aggregate Program capital across investments up to 15 percent of the firm's total assets under management, to be tested at the time of initial and follow-on investment application. If the Program is unable to fulfill a QVF's entire request for investment due to investment size and concentration risk policies or an availability of funds, a QVF may amend the amount requested through its investment application.

5) Timing of Investment Application: Qualified Venture Firms must have at least begun negotiations over a draft term sheet with a business before applying for a Qualified Investment. In all cases, an executed stock purchase agreement, which finalizes the terms of the investment between the Qualified Venture Firm and the proposed Qualified Business, must be submitted by the Qualified Venture Firms to close on an approved Qualified Investment. The investments must be part of the same fundraising round and on equal terms.

Qualified Business Requirements at Time of Initial Qualified Investment
Proposed Qualified Businesses must also meet Program eligibility requirements prior to Qualified Venture Firms receiving approval for a Qualified Investment into the business. Eligibility is reviewed by NJEDA Staff from the Venture Programs Department in parallel with the Product Operations Department to ensure objectivity of review. Qualified Business eligibility requirements at the time of application for an initial Qualified Investment include, but are not limited to, those described below.

1) New Jersey Principal Business Operations: Qualified Businesses must maintain principal business operations in New Jersey, defined as any of the following: (i) at least 50 percent of its full-time employees reside in New Jersey, (ii) at least 50 percent of the business's payroll (defined as wages) for full-time employees is paid to individuals living in the State, (iii) at least 50 percent of its full-time employees filling a position in the State, (iv) at least 50 percent of the business's payroll (defined as wages) for full-time employees is paid to individuals filling a position in the State, or (v) the location where the business's high level officers direct, control and coordinate the business's activities is in New Jersey and New Jersey has the largest percentage of the business's U.S. based full-time employees who are not primarily engaged in retail sales.

2) New Jersey Place of Business: Qualified Businesses must maintain a place of business in New Jersey, such as an office, manufacturing facility, or co-working space.

3) Targeted Industry: Qualified Investments will be restricted to businesses primarily operating in one of the following program targeted industries: advanced transportation and logistics, advanced manufacturing, aviation, autonomous vehicle and zero-emission vehicle research or development, clean energy, life sciences, hemp processing, information and high technology, finance and insurance, professional services, film and digital media, non-final point of sale retail food and beverage businesses, including food innovation, and other innovative industries that disrupt current technologies or business models.

4) Limit on Business Size: Qualified Businesses must employ fewer than 250 full-time employees.

5) High-growth Business: Qualified Businesses must demonstrate they are high-growth business by meeting one of the Program's high-growth tests. To meet the program's high-growth test, Qualified Businesses may demonstrate trailing twelve-month revenue or customer growth of at least 25% as of the most recent quarter-end, or valuation growth of 25% since their prior fundraising round.

Businesses that are too early in their life cycle to record one year of sales or customers and that have not previously raised third-party equity capital may demonstrate they meet the Program's high-growth test through third-party projections from the Qualified Venture Firm. For these businesses, QVFs may submit their base case forward-looking projections and businesses may be considered high-growth if the projections demonstrate 25% revenue, customer, or valuation growth in anyone-year period over the subsequent 3-5 years.

6) Concentration Limits on Qualified Businesses: The Program will limit aggregate investments into any Qualified Business to 10 percent of the Program's uninvested and invested capital, to be tested at the time of applications for follow-on investments.

QUALIFIED VENTURE FIRM COMPLIANCE REQUIREMENTS

Qualified Venture Firms must submit an annual report to the Authority demonstrating they remain in compliance with Program requirements. Ongoing compliance requirements include continuing to maintain at least $10,000,000 in assets under management and two full-time investors employed to direct investment capital with at least five years of professional money management experience. QVFs must also submit documentation demonstrating the firm's efforts to identify New Jersey-based investment opportunities.

Additionally, Qualified Venture Firms that received points through the Program's weighted criteria evaluation model for maintaining robust diversity, equity, and inclusion or New Jersey Incentive Area investment policies must demonstrate best efforts to comply with their policy goals. Firms that fail to do so will be rescored through the weighted criteria evaluation model and risk decertification should their score fall below the minimum acceptable score.

The annual reports will also include important information pertaining to program Qualified Investments, such as audited financial statements of the Evergreen SPV established to execute the Qualified Investment and Qualified Venture Firm Active Fund. Firms that fall out of compliance with program requirements risk decertification.

QUALIFIED BUSINESS COMPLIANCE REQUIREMENTS

Qualified Businesses that receive Qualified Investment capital from the Evergreen Fund must meet ongoing compliance requirements throughout the Qualified Business Compliance Period, which is the period starting with the initial Qualified Investment and ending with the sale or other disposition of all shares of stock of the Qualified Business from the Evergreen SPV, including any distribution of the shares to the NJEDA. If the distribution of the shares of stock from the Evergreen Fund SPV to the NJEDA occurs in less than five years after the Qualified Investment, the Qualified Business Compliance Period shall be five years or such other shorter Qualified Business Compliance Period determined by the NJEDA, which may be based on factors including, but not limited to, the number of the Qualified Business full-time employees filling a position in New Jersey.

Throughout the Qualified Business Compliance Period, Qualified Businesses that receive a Program Qualified Investment must maintain a place of business and their principal business operations in New Jersey, as described in this memorandum. Compliance will be tested annually, and businesses that fail to meet ongoing requirements will receive a one-year grace period to come back into compliance. If Qualified Businesses fail to continue to meet Program compliance requirements following the conclusion of the one-year grace period, the NJEDA may exercise its right of redemption to require the Qualified Business to redeem the shares purchased with the Qualified Investment and any follow-on investments for an amount equal to the greater of the cost of the Qualified Investment plus follow-on investments or the fair market value of the shares at the time of the redemption demand. If the Qualified Venture Firm or any other investor offers to purchase the shares for the same amount as set forth above, the NJEDA may accept such purchase instead of redemption.

MEMORANDUM

TO: Members of the Authority

FROM: Evan Weiss, Chief Executive Officer

DATE: July 22, 2026

SUBJECT: Modifications to the Reducing Emissions Through Retrofits, Optimization, Fuel-switching and Innovative Technologies Grant Program (RETROFIT NJ)

Request:

The Members of the Board are requested to approve:

1. Modifications to the Reducing Emissions Through Retrofits, Optimization, Fuel-switching and Innovative Technologies Grant Program (RETROFIT NJ or Program), as specified in this memo and attached Proposed Program Specifications. The modifications requested: (a) clarify applicant and project eligibility; (b) focus project scope requirements; and (c) preserve the set-aside for Overburdened Communities and institutional applicants.
2. Increase delegation of authority to the Chief Executive Officer to increase the Program's total funding pool based on available RGGI funding if application demand exceeds the initial funding allocation.

Background:

On October 9, 2025, the Board approved the creation of the Reducing Emissions Through Retrofits, Optimization, Fuel-switching and Innovative Technologies Grant Program ("RETROFIT NJ" or the "Program") and the utilization of $75,000,000 from NJEDA's allocation of 2023–2025 RGGI funds based upon staff's recommendation in the October 9, 2025, memo to the Board (the "Board Memo"). The RETROFIT NJ program provides grants to large, complex building decarbonization retrofit projects in existing commercial, industrial, and institutional buildings. Historically, these projects have not been well served by existing State programs.

At its June 10, 2026 meeting, the NJEDA Board approved RETROFIT NJ awards to ten applicants for a total of $79,027,232. In addition to utilizing the $75 million funding pool, this included an additional $4,027,232 in funds allocated and approved via Delegated Authority. These awards are expected to help realize 20.3 megawatts (MW) of solar generation and 86.9 MW of battery storage, supporting $238 million in economic activity and 845,246 metric tons of greenhouse gas emission reductions.

This memo proposes modifications to the RETROFIT NJ program to refine applicant and project eligibility, revise delegated authority for the Program, strengthen project scope requirements, and clarify the funding set-aside structure for Overburdened Communities and Institutional applicants. Staff recommend the requested modifications in this memo based on lessons learned during Program implementation as well as market feedback from stakeholders and industry experts.

Program Updates:

Staff requests the following section updates to the RETROFIT NJ Appendix A - Program Specifications. These changes will not retroactively impact previously approved applications for the Program, but will be applicable to all future applications. Additionally, the RETROFIT NJ Program Specifications in Appendix A of this memo reflect the updated language which is bolded and underlined.

Program Funding

Current:
The Program will utilize $75,000,000 in RGGI funds available to NJEDA under the 2023-2025 RGGI Funding Plan. After the Program application is open to the public, 50% of the funding pool ($37,500,000) will be set-aside exclusively for applications submitted for projects in Overburdened Communities and/or for Institutional applicants for one calendar year. Upon expiration of this set-aside, any unallocated set-aside funding will be open to all eligible applicants on a first-come, first-served basis. After applications open to the public, staff will evaluate program uptake. Delegated authority is requested to utilize up to an additional $75,000,000 in RGGI funds available to NJEDA to expand the pilot if Program demand surpasses the initial $75,000,000 funding allocation. The set-aside for funding will only apply to the initial $75,000,000 funding allocation. Administrative costs for the Program will be covered under RGGI administrative funding that is available to NJEDA independently from RGGI project funding.

Update:
The Program will utilize $75,000,000 in RGGI funds available to NJEDA under the 2023-2025 RGGI Funding Plans. After the Program application is open to the public, 50% of the **initial** $75,000,000 funding pool ($37,500,000) will be set-aside exclusively for applications submitted for projects located in Overburdened Communities (OBCs) and/or for Institutional applicants for one calendar year **from the date the Program application opens**. Upon expiration of this set-aside, any unallocated set-aside funding will be open to all eligible applicants on a first-come, first-served basis. After applications open to the public, staff will evaluate Program uptake. Delegated authority is requested to utilize up to an additional **$150,000,000** in RGGI funds available to NJEDA to expand the pilot if Program demand surpasses the initial $75,000,000 funding allocation. **If Program funding is increased under delegated authority by the CEO, the same 50%, one-year set-aside shall apply.** Administrative costs for the Program will be covered under RGGI administrative funding that is available to NJEDA independently from RGGI project funding.

Rationale:
This change helps to clarify that the funding set-aside for Overburdened Communities and Institutions that was provisioned for the initial $75 million pool of funding for the Program also applies to any subsequent Program funding expansions under delegated authority. This will ensure public-purpose projects and Overburdened Communities continue to be prioritized under the Program. This modification also increases the funding up to $225,000,000 for the Program, inclusive of the initial $75 million authorized by the Board, and up to $150,000,000 in additional Program funds that may be authorized by the CEO under delegated authority. NJEDA has received over $742 million in RGGI project funds to-date, of which $379.2 million was unallocated as of Q1 2026. Following discussion with NJEDA leadership and the NJ Governor's Office, $75 million (19.7%) of the $379.2 million in unassigned funds will be allocated to RETROFIT NJ under the delegated authority already approved by the Board, while the remaining $75 million in delegated authority requested via this modification would be drawn from future RGGI auction proceeds – or any previously unallocated proceeds – depending on Program demand and available funding.

Applicant Eligibility
Current:

- Applicants must be Commercial, Industrial, or Institutional building owners OR equivalent tenants seeking to complete retrofit construction projects in existing eligible building spaces. Tenants must demonstrate owner approval and a valid lease for one year beyond the length of the proposed project's construction timeline.

- The applicant must also be in substantial good standing with the New Jersey Department of Labor and Workforce Development and NJ Department of Environmental Protection to participate in the Program.
- The applicant must provide a current tax clearance certificate at the time of grant agreement execution to demonstrate the applicant is properly registered to do business in New Jersey and in substantial good standing with the NJ Division of Taxation.

Update:

Applicant eligibility is based upon the project scope.

For projects involving Thermal Energy Networks:

- Applicants must be Commercial, Industrial, or Institutional building owners OR equivalent tenants seeking to complete retrofit construction projects in existing eligible building spaces.

For all other eligible project scopes, applicants must be one of the following:

- **"Institutional" building owners OR tenants that serve a non-profit or public purpose (as defined at NJAC 7:27D-1.2). State and bi-state agencies are excluded under this category, except for State entities whose primary purpose is education or healthcare (e.g. State colleges and universities, State-operated schools, State-managed hospital systems, and other State educational or healthcare institutions).**

- **Private manufacturing building owners OR tenants whose primary use of the building is manufacturing or industrial operations that meet the definition of Property Class 4B in NJAC 18:12-2.2(f)).**

Across all applicants:

- Tenants must demonstrate owner approval and a valid lease for one year beyond the length of the proposed project's construction timeline.
- The applicant must also be in substantial good standing with the New Jersey Department of Labor and Workforce Development and NJ Department of Environmental Protection to participate in the Program.
- The applicant must provide a current tax clearance certificate at the time of grant agreement execution to demonstrate the applicant is properly registered to do business in New Jersey and in substantial good standing with the NJ Division of Taxation.

Rationale:

This change is being requested to focus Program resources on public-purpose entities and industrial sectors, and to ensure under-resourced and highest-need projects are prioritized.

Project Scope Eligibility Requirements

Current:

Projects must include work from at least three of the following scope categories:

- On-site renewable energy generation (solar, etc.)
- On-site energy storage (battery, thermal, etc.)
- Electrification/Fuel Switching of Heating Systems
- Refrigerant Replacement for Cooling Systems (new system must have a Global Warming Potential (GWP) of 700 or less)
- Energy Efficiency Improvements (BMS, envelope, heat recovery, lighting upgrades, green roofs/cool roofs, electrifying appliances, etc.)

OR:

- A project scope involving Thermal Energy Networks does not need to meet the above scoping requirements.

Update:

In addition to the above current requirements, the following criteria will also be incorporated into the project scope eligibility:

ADDITIONALLY:

- **If Project is not a Thermal Energy Network, then at least one of the three selected eligible scopes must be on-site renewable energy generation (solar, etc.) OR on-site energy storage (battery, thermal, etc.).**

Rationale:

This change ensures the Program investments align with the directives under Governor Sherrill's Executive Orders 1 and 2 by requiring meaningful on-site renewable generation and energy storage components for projects that do not involve Thermal Energy Networks, helping to advance New Jersey's grid decarbonization and energy affordability goals.

Delegated Authority for Funding

Separate from the modifications to the Appendix A – Program Specifications, the following changes to Delegated Authority for Program Funding are requested:

Current:

Delegation of authority to the Chief Executive Officer to increase funding from $75,000,000 to up to $150,000,000 based on available RGGI funding if application demand exceeds the initial $75,000,000 funding allocation.

Update:

Delegation of authority to the Chief Executive Officer to increase funding from $75,000,000 to up to **$225,000,000** based on available RGGI funding if applicant demand exceeds the initial $75,000,000 funding allocation.

Rationale:

This Program has received significant market interest and demand, demonstrated by the oversubscription of the Program three months after launching. This revision to the delegated authority ensures program continuity to support the expected pipeline of high-value projects. The NJEDA Board approved $79,027,232 in grant awards to RETROFIT NJ applicants at its June 10, 2026 meeting using $75 million of the initial funding allocation for the Program that the Board approved at its October 9, 2025 meeting and an additional $4,027,232 in funds allocated via delegated authority. This leaves $70,972,768 in remaining funds that can be allocated for the Program via delegated authority initially approved by the Board, and the above change will allow for an additional $75 million to be allocable via delegated authority for an overall potential Program funding pool of up to $225,000,000.

Recommendation:

The Members of the Board are requested to approve the modifications to the RETROFIT NJ Program, as specified in this memo and attached Proposed Program Specifications sheet.

Evan Weiss, CEO

Prepared by: Andres Garcia

Appendix A
<u>RETROFIT NJ Program</u>
Revised Program Specifications – Program Modifications
July 22, 2026

Program Overview	RETROFIT NJ is designed to support multi-pronged, large-scale retrofit projects that enable holistic energy improvements at buildings, campuses, and multi-building facilities. By deploying $75 million in RGGI funds, this program aims to catalyze high-impact, high-visibility projects that significantly reduce carbon emissions, serve as replicable models, accelerate New Jersey's clean energy transition, and stimulate economic growth in the clean energy industry, one of the State's targeted industries. The Program will offer grant awards between $2.5 million and $12.5 million to commercial, industrial, and institutional building owners undertaking retrofit projects with a minimum total project cost of $5 million. Eligible projects must include at least three clean energy or electrification components—such as solar, energy storage, electrification of heating, refrigerant replacement, or energy efficiency upgrades—or involve TENs. Funding provided by the Program will cover both hard and soft costs, including design, equipment, construction, and commissioning. Non-profit and institutional applicants receive up to 60% reimbursement, while for-profit commercial entities are eligible for up to 50% reimbursement, with an additional 5% bonus for Overburdened Community (OBC)[7] locations for all entity types. Structured as a rolling application process with phased disbursements, the program is built to be inclusive of projects utilizing multiple clean energy technologies that need support to proceed. The Program shall be implemented in accordance with the Program Specifications attached thereto as Appendix A.
Program Funding	The Program will utilize $75,000,000 in RGGI funds available to NJEDA under the 2023-2025 RGGI Funding Plans. After the Program application is open to the public, 50% of the **<u>initial</u>** $75,000,000 funding pool ($37,500,000) will be set-aside exclusively for applications submitted for projects located in Overburdened Communities (OBCs) and/or for Institutional applicants for one calendar year **<u>from the date the Program application opens</u>**. Upon expiration of this set-aside, any unallocated set-aside funding will be open to all eligible applicants on a first-come, first-served basis. After applications open to the public, staff will evaluate program uptake. Delegated authority is requested to utilize up to an additional **<u>$150,000,000</u>** in RGGI funds available to NJEDA to expand the pilot if Program demand surpasses the initial $75,000,000 funding allocation. **<u>If Program is increased under delegated authority by the CEO, the same 50%, one-year set-aside shall apply to any future funding allocations authorized by the CEO.</u>** Administrative costs for the Program will be covered under RGGI administrative funding that is available to NJEDA independently from RGGI project funding.
Grant Amounts	For all projects, the minimum grant award size is $2,500,000. For projects involving TENs, the maximum grant award size is $12,500,000 per project/Employer Identification Number (EIN). For all other projects, the maximum grant award size is $10,000,000 per project/EIN.

Eligibility Requirements	• Applicant Eligibility **<u>Applicant eligibility is based upon the project scope.</u>** **<u>For projects involving Thermal Energy Networks:</u>** o Applicants must be Commercial, Industrial, or Institutional building owners OR equivalent tenants seeking to complete retrofit construction projects in existing eligible building spaces. **<u>For all other eligible project scopes, applicants must be one of the following:</u>** o **<u>“Institutional” building owners OR tenants that serve a non-profit or public purpose (as defined at NJAC 7:27D-1.2). State and bi-state agencies are excluded under this category, except for State entities whose primary purpose is education or healthcare (e.g. State colleges and universities, State-operated schools, State-managed hospital system, and other State educational or healthcare institutions).</u>** o **<u>Private manufacturing building owners OR tenants whose primary use of the building is manufacturing or industrial operations that meet the definition of Property Class 4B in NJAC 18:12-2.2(f).</u>** **<u>Across all applicants:</u>** o Tenants must demonstrate owner approval and a valid lease for one year beyond the length of the proposed project’s construction timeline. o The applicant must also be in substantial good standing with the New Jersey Department of Labor and Workforce Development and NJ Department of Environmental Protection to participate in the Program. o The applicant must provide a current tax clearance certificate at the time of grant agreement execution to demonstrate the applicant is properly registered to do business in New Jersey and in substantial good standing with the NJ Division of Taxation. • Project Scope Eligibility Requirements: o Projects must include work from at least three of the following scope categories: ▪ On-site renewable energy generation (solar, etc.) ▪ On-site energy storage (battery, thermal, etc.) ▪ Electrification/Fuel Switching of Heating Systems ▪ Refrigerant Replacement for Cooling Systems (new system must have lower Global Warming Potential (GWP) than previous system and GWP must be 700 or less) ▪ Energy Efficiency Improvements (BMS, envelope, heat recovery, lighting upgrades, green roofs/cool roofs, electrifying appliances, etc.) ***OR:***

- A project scope involving Thermal Energy Networks does not need to meet the above scoping requirements.

ADDITIONALLY:

- **If project is not a Thermal Energy Network, then at least one of the three selected eligible scopes must be on-site renewable energy generation (solar, etc.) OR on-site energy storage (battery, thermal, etc.).**

- Project Eligibility
  - Projects must demonstrate total eligible costs of at least $5,000,000.
  - Projects must be located within New Jersey.
  - Applicants must provide, at time of application, a verified projection from a qualified third-party professional for reducing/avoiding at least one metric ton of carbon dioxide equivalent (CO_2e) for every $250 in requested NJEDA grant award amount over the project's useful life (e.g. a $5 million grant award would need to show that the proposed project can reduce at least 20,000 metric tons of CO_2e over the project's useful life)
  - Qualified third-party professionals include but are not limited to:
  - Licensed engineer (NJ state professional engineer or other state's equivalent)
  - Licensed architect (NJ state registered architect or other state's equivalent)
  - Certified Energy Auditor (CEA certification from the Association of Energy Engineers)
  - Certified Energy Manager (CEM certification from the Association of Energy Engineers)
  - Energy Management Professional (EMP certification from the Energy Management Association)
  - Building Energy Assessment Professional (BEAP certification from the American Society of Heating, Refrigeration, and Air-Conditioning Engineers)

- Building Eligibility
  - Meet one of the following property classes as defined by NJAC 18:12-22:
    - Class 4A: Commercial Property Class 4B: Industrial Property
    - Class 4C: Apartments (for purposes of this Program, applicants that are Class 4C must be multi-family that are owned by a commercial business or institutional entity)
    - Class 15A: Public School Property
    - Class 15B: Other School Property
    - Class 15C: Public Property
    - Class 15D: Church and Charitable Property
    - Class 15E: Cemeteries and Graveyards
    - Class 15F: Other Tax Exempt Property

Eligible Uses of Grant Funding	• Eligible project costs include: o Construction labor and/or equipment provided by Public Works Registered Contractor that are directly related to emissions reductions/energy efficiency improvements or enabling work necessary for proposed emissions reducing/energy efficient building systems to be operational (i.e., upgrading electric panels, structural improvements for rooftop solar or HVAC systems) o Equipment and/or materials procured directly by the applicant that are directly related to emissions reductions/energy efficiency or enabling work necessary for proposed emissions reducing/energy efficient building systems to be operational o Soft costs including construction management, commissioning, engineering, building certification, and design costs relevant to scope categories listed above (no more than 20% of total project costs can be allocated for this purpose) o Electric vehicle charging infrastructure can optionally be included in project scopes but electric vehicle charging infrastructure projects on their own would not be eligible and do not count towards the three qualifying eligibility criteria. • Ineligible project costs include: o Permitting and inspection fees o Taxes o Property or facility acquisition costs o Interior finish improvements and upgrades not related to operating energy/emissions reductions (e.g. flooring, artwork) o Other building system upgrades not related to operating energy/emissions reductions (e.g. fire sprinklers, security cameras), even if required for overall building code compliance o Furniture: non-permanent items (e.g. desks, chairs, cabinets) o Prior construction work related to energy efficiency/emissions reductions improvements that began or completed before the time of application to the program o New construction and gut rehab/redevelopment projects including enlargements or additions to existing buildings that increase overall building square footage o Demolitions o Fines incurred because of code or zoning violations during construction project associated with this grant o Installation of new combustion-based systems (e.g., boilers, furnaces), regardless of efficiency o Costs not included in the approved project scope. • Additionally: o Funds can be used to support multiple building projects within one application if buildings are adjacent or in a campus style arrangement. Campus-wide and multi-building facilities are defined as a group of two or more buildings owned and/or leased by either a single entity or a consortium of two or more building owners/leaseholders ("Consortium"). If the latter, a lead entity must submit the grant

	program application on behalf of the Consortium, or the Consortium can utilize an existing or create a newly formed business or institutional entity with its own specific EIN that represents the interests of the Consortium for the purposes of the proposed grant project. o Projects involving new construction and substantial rehabilitation/redevelopment are excluded from Program funding. However, if the new construction or substantial rehabilitation/redevelopment project is a portion of a larger retrofit project that includes a connected building(s) otherwise qualified for the Program, then expenses associated with the energy system for the new construction or substantial rehab/redevelopment are eligible. Substantial rehabilitation shall have the same meaning as "reconstruction" in N.J.A.C. 5:23-6.3. o A lookback period of up to 18 months prior to the date of application submission shall apply to design, engineering, planning, and/or audit activities initiated or completed in furtherance of the project. Such costs may be included in the total eligible project cost. Construction or building maintenance costs incurred prior to application submission are ineligible for the lookback period. Reimbursement for expenses incurred during the lookback period shall not exceed twenty percent (20%) of the total eligible project cost. o The applicant and any collaborators performing capital work will be subject to labor compliance, including New Jersey affirmative action, prevailing wage requirements, and the requirement to complete New Jersey Contractor Registration. o Except for the NJEDA's NJ Cool program, the grant award is stackable with any other incentives from utilities and/or federal, state, and local government agencies. NJEDA will conduct a review in coordination with other State agencies to ensure there is no duplication of benefits.
Application Process	Complete applications will be reviewed on a rolling basis using the following steps: • **Step 1 – Application Requirements**: Applicant submits application to NJEDA, which shall include, among other items: o Building address and property information (size, type, occupancy, etc.) o Proof of building ownership/proof of building owner permission to undertake project o If Applicant leases space, a copy of their lease extending one year past the construction timeline and a signed acknowledgement from the landlord that they have reviewed and approved the proposed facility improvement(s). o If Applicant owns space, a deed, property tax statement, or current mortgage statement from the lender. o A description of the proposed project o Project design drawings o Photos of the existing building space o Cost estimate budget spreadsheet using NJEDA template, which is supported by:

	o Quote(s) from contractor(s) that are registered with NJDOL as a Publics Works Registered Contractor with costs consistent with New Jersey State prevailing wage rates o Vendor quotes or similar retailer price information for any relevant items/equipment to be purchased directly by the applicant o A soft commitment for matching funding (e.g., promissory note, letter of commitment from a financial institution, etc.) OR proof of funding in-place (e.g. bank statements, executed financing agreement, or similar indication of availability of working capital for proposed project) to demonstrate Applicant's ability to cover the balance of project costs not covered by this grant IN ADDITION TO a 10% contingency to cover any potential project cost overruns. o Estimated project schedule o Requested grant award amount o Expected utility/state energy efficiency incentive payments (if applicable) o Recent utility bill(s) (water and energy), as well as building occupancy and energy consumption (e.g. oil, propane) data for prior 12 months of operation o Projected operating greenhouse gas emissions savings to be realized as a result of the project (calculated by a 3rd party qualified professional) with supporting information and additional documentation as required (HVAC equipment information, etc.). • **Step 2 – Application Review:** NJEDA reviews the submitted application materials and performs a completeness review of each submitted application. If the submitted application is incomplete, staff shall send written notice providing applicants fifteen (15) business days to provide the missing documents or information in their application. Staff shall also complete an initial project financial viability review based on the soft commitment for matching funding or proof of funding in-place submitted as part of the application materials to demonstrate the Applicant's ability to cover balance of project costs not covered by the grant in addition to a 10% project contingency for any potential project cost overruns. • **Step 3 – Application Approval:** If eligible and applicable, NJEDA will provide an approval letter to the applicant with the maximum potential grant award available for the project and enter into a grant agreement. If not already provided the applicant must provide a current tax clearance certificate at the time of grant agreement. NJEDA grant awards will not be adjusted following notice of application approval and the applicant will be responsible for any additional or unexpected project costs, even if relevant to the eligible project scope. • **Step 4 – Proof of Funding:** If only a soft commitment for matching funding is provided at time of application, the Applicant will have twelve (12) months from execution of grant agreement with NJEDA to submit proof of funding for the balance of project costs, with the possibility for additional six-month extension(s) at the discretion of the NJEDA. Proof of

	funding can include bank account statements, financing agreement, or similar indication of available working capital for the project costs. NJEDA will review and provide approval for proof of funding via its underwriting process. Additional financing provided by NJEDA may also be used to cover project costs not met by the grant award, including through the NJ Clean Energy Loans program and the New Jersey Green Bank, a subsidiary of the NJEDA, may be able to offer loan financing to complement the grant award. However, the applicant cannot use both NJ Cool program funding and RETROFIT NJ funding for the same project. • **Step 5 – Construction Initiation:** Project construction activity must commence on-site within twelve (12) months of grant agreement execution, or the applicant must demonstrate that permit applications (if required) are pending with relevant building authorities, with the possibility for six-month extension(s) at the discretion of the NJEDA. • **Step 6 – Construction Completion:** Applicants will have three (3) years from project construction commencement to achieve project completion, with the possibility for one-year extension(s) at the discretion of the NJEDA.
Grant Disbursement	NJEDA will provide a maximum disbursement of 50% of total eligible project costs for for-profit commercial projects, and a maximum disbursement of 60% of total eligible project costs for Institutional and non-profit projects, up to the maximum allowable grant award amount of $12,500,000 for TENs and $10,000,000 for all other projects. The maximum disbursement amount will be increased by an additional 5% if the applicant's proposed project/building is located within an OBC or adjacent census block, in accordance with RGGI requirements to prioritize OBCs. Maximum eligible grant award size will be determined at time of application approval. NJEDA will disburse funds on a pro-rata basis based on construction progress, or other milestones, via payments to the grant recipient in tranches as will be provided in the grant agreement. Final payment may be adjusted for any work not completed/project scope changes, and/or underspending. NJEDA **shall recapture** any grant funds used for (1) an ineligible purpose or (2) any purpose outside of the Program's approved scope of work.
Compliance and Reporting	Applicants are required to ensure all contractors working on the project are New Jersey Department of Labor (NJDOL) Public Work Certified and abide by prevailing wage and affirmative action requirements. As part of the application process, applicants must submit at least prior 12 months of utility bills, energy consumption data (e.g. oil, propane, etc.), and building occupancy data to help establish baseline energy consumption. When the building is fully operational again following construction completion, the grant recipient must submit utility bills, energy consumption, and occupancy data for at least the first 12 months following construction to help verify the estimated energy and

	emissions savings as a result of the project. Grant recipients are also required to provide details on other projects undertaken by the building during the grant term that are not funded by the grant award and could impact the building's energy usage (including other clean energy or energy efficiency initiatives and participation in any demand response programs). The NJEDA reserves the right to conduct site visits at any time during construction, in addition to site visits scheduled by the grant recipient for the purpose of progress disbursements.
Fees	NJEDA will charge a $1,000 application fee per project application.

MEMORANDUM

TO: Members of the Authority

FROM: Evan Weiss, Chief Executive Officer

DATE: July 22, 2026

RE: NJ Entrepreneur Support Program – Pilot Program Close Out

Summary

On April 12, 2023, the members of the EDA Board approved the relaunch with updates to NJ Entrepreneur Support Program ("NJESP"). NJESP was established as a pilot program and capitalized with $5,000,000 in funds from the Economic Recovery Fund ("ERF"). NJESP provides a guarantee of debt investments (loans and notes) made by investors in qualifying NJ startup companies. The program did not have a set expiration date, but three years is the standard length for a Pilot program, as established by the NJEDA's Program Close-Out Guidance policy. As outlined in detail within the memorandum, Staff respectfully recommends the closure of the NJ Entrepreneur Support Program.

Originally approved on March 26, 2020, NJESP was designed to encourage private investors to provide capital to entrepreneurs to navigate cashflow constraints caused by adverse impacts to the financial system resulting from the COVID-19 pandemic to the US and global economy. This program was part of a larger NJEDA package of programs launched as part of the State's pandemic response and closed in 2022 with the end of the State of Emergency.

The goal of NJESP was to encourage investment from the investor community to provide new funding for NJ entrepreneurial businesses by providing a guarantee to support repayment of an investor loan advanced for working capital.

Entering into 2023, the effects stemming from the pandemic continued to impact the financial system. To combat increasing inflation rates, the Federal Reserve made a series of increases to their benchmark interest rate, the Federal Funds Rate, intended to reduce the inflation rate and slow the economic growth rate. These actions had an outsized impact on high growth industries, like technology. Companies not only experienced a reduction in their sales but also lacked the capital access needed to continue their current operations. This occurred because the rate increases led to a liquidity crunch for financial institutions utilized by entrepreneurial startups in high tech industries as well as a slowing of investment activity in private markets. In particular, the financial crisis made headlines with the failure of multiple banks including First Republic and Silicon Valley Banks. In response to these market conditions, which were similar to the challenges presented initially by the Covid pandemic, the NJEDA decided in March/April of 2023 to reopen NJESP to address this financial crisis.

Background:

NJESP was structured as a guarantee of a private investor's note or loan advanced to a startup company for working capital purposes. Investors and companies that qualified could receive an 80% NJEDA guarantee on their note or loan amount. Guarantees could not exceed in total $400,000 for a company ($500,000 in total loans guaranteed per company). Guarantees have a term of 1 year (12 months) starting from the execution date of the underlying note or loan.

An eligible New Jersey startup company was defined as having a minimum of 50% of employees in New Jersey, with fewer than 225 total employees, and a corporate headquarters in New Jersey.

An eligible note or loan required a minimum maturity of one year (12 months) and could not require any payments (principal or interest) during this year. It also had to be unsecured. Notes or loans from company founders, executives, or employees were not eligible for the guarantee.

Once a guarantee was executed, the following results were possible.

- If the company extended or repaid the note or loan within the one-year term of the guarantee, the guarantee expired and ended.
- In the event the investor's note or loan converted to equity within the one-year term, the Authority would receive a warrant for 20% of the guarantee amount at the same pricing as the investor's conversion pricing.
- If the company ceased operations and filed a certificate of dissolution within the one-year term, NJEDA would pay the guarantee to the investor.
- If the company had not been dissolved but did not have the liquidity to repay the investor at the end of the one-year term, the Authority would pay on a guarantee and assume the underlying note or loan.

A company and investor had up to 90 days after the guarantee's one year maturity date to inform the NJEDA of the result of the underlying note or loan. This included any request for payment on the guarantee.

Application Summary:

A total of 33 applications were received for the NJESP program. Eighteen applications were approved. Fourteen applications were withdrawn (1 application was approved but later withdrawn). The total amount approved guarantees to date was $1,464,000, representing approx. 29% of the initial $5,000,000 allocation. One application was submitted on July 17, 2026 and review of that application is in process; if approved, the guarantee will be $80,000.

Of the 18 applications approved, 14 guarantees have expired and have entered back into the pool of funds, for a total amount of $636,000. Two guarantees payment were requested and approved. For these disbursed guarantees, the investors received $48,000. Currently, one guarantee for $380,000 requested payment on July 17, 2026 and is under review. And, one guarantee for $400,000 has expired but is still within the 90-day period where a payment request can be made on the guarantee. **Exhibits A and B** attached hereto contain a detailed summary of the approved and paid-out guarantees.

Over the life of the program, the remaining pool of funding is $4,572,000, but could be reduced to $4,092,000 if the guarantees still within their 90-day request window submit and are approved for payment and if the newly submitted application is approved.

Program Challenges:

Based on Staff review and market feedback, NJESP no longer aligns with current startup financing trends or investor preferences, making it not effective nor utilized. Several of the challenges are, but not limited to:

1. **Program's crisis-driven origin is no longer**: NJESP was designed for pandemic-related banking-sector instability. These conditions have since stabilized reducing the program's necessity.
2. **Shift in preferred investment structures:** Companies and investors now prefer simple agreements for future equity ("SAFEs") over convertible notes or loan. This investment is faster, easier, and cheaper than these other instruments. Carta reported that for pre-seed rounds utilizing their platform in 2025, 90% were SAFEs compared to 10% being structured as convertible notes. The move away from notes and loans makes the NJESP guarantee less relevant.
3. **Market Relevance:** Where still used, investors and companies indicated the guarantee's terms do not align with the current note or loan structure. In particular, the one-year guarantee is not long enough to make an impact. Most notes and loans now have longer maturities or are extended multiple times.
4. **Low market demand**: Over three years, only 33 applications were submitted; nearly half were withdrawn before approval. A total of 7 companies utilized the program to date. In 2025, the total of submitted and approved applications was 2. Only 1 application has been received in 2026. The lack of applicants to the NJESP indicates weak interest from both startups and investors.

Conclusion:

NJESP, originally created to stabilize New Jersey's startup ecosystem during the COVID-19 pandemic and subsequent banking crisis, no longer aligns with current market conditions. Startup financing trends have shifted toward SAFEs and other non-debt instruments, reducing the relevance of NJESP's one-year loan-guarantee structure. Investor and company engagement remained low, with limited application volume, high withdrawal rates, and minimal utilization of guarantees. As economic conditions have normalized and the program's crisis-driven purpose has diminished, NJESP has become ineffective in meeting the needs of today's early-stage market. Due to these reasons, Staff recommends closing the NJESP. The program no longer responds to current market needs and no program modifications would improve this. The remaining program funds will be returned to the Economic Recovery Fund (ERF) for reallocation.

____
Evan Weiss, CEO

Prepared by:
Clark Smith, Senior Director
Abdelrhman Seliman, Innovation Product Analyst

Exhibit A: Approved NJESP Applications

Entrepreneurial Applicant	Approval Date	Guarantee Maturity Date	Amount Note/Loan	Amount Guarantee
4.0 Analytics, Inc.	11/8/2024	08/08/2025	$100,000	$80,000
4.0 Analytics, Inc.	2/4/2025	10/08/2025	$50,000	$40,000
Bantr Collective Incorporated	9/4/2024	03/26/2025	$12,500	$10,000
Bantr Collective Incorporated	9/4/2024	03/26/2025	$12,500	$10,000
Bantr Collective Incorporated	9/5/2024	3/12/2025	$10,000	$8,000
Bantr Collective Incorporated	9/5/2024	3/26/2025	$10,000	$8,000
Bantr Collective Incorporated	9/5/2024	2/12/2025	$10,000	$8,000
Bantr Collective Incorporated	9/5/2024	1/16/2025	$25,000	$20,000
Bantr Collective Incorporated	4/13/2024	12/08/2024	$25,000	$20,000
Bantr Collective Incorporated	4/12/2024	8/25/2024	$100,000	$80,000
Hopewell Pharma Ventures, Inc.	6/3/2025	6/12/2026	$500,000	$400,000
Mamasuncut Inc.	5/27/2025	4/30/2026	$475,000	$380,000
TLA Innovation Inc.	10/17/2024	7/12/2025	$175,000	$140,000
TLA Innovation Inc.	10/17/2024	6/14/2025	$100,000	$80,000
TLA Innovation Inc.	11/3/2023	5/08/2024	$115,000	$92,000
ZSX Medical LLC	9/19/2024	3/12/2025	$10,000	$8,000
ZSX Medical LLC	3/13/2024	12/11/2024	$50,000	$40,000
ZSX Medical LLC	3/12/2024	11/27/2024	$50,000	$40,000
TOTAL			**$1,830,000**	**$1,464,000**

*1 application was submitted July 17, 2026 and is under review (not shown in table above).
*1 application was approved and later withdrawn (not shown in table above).
*Yellow indicates guarantees within 90-day period for payment request.
*Red indicates the guarantees that the investor called on and were paid out (table shown below).

Exhibit B: Guarantees Payout NJ ESP Applications

Entrepreneurial Applicant	Approval Date	Guarantee Payout Date	Amount Note/Loan	Amount Guarantee
ZSX Medical LLC	9/19/2024	9/12/2025	$10,000	$8,000
ZSX Medical LLC	3/13/2024	9/11/2025	$50,000	$40,000
Mamasuncut Inc.	5/27/2025	TBD	$475,000	$380,000
TOTAL			**$535,000**	**$428,000**

* Yellow indicates guarantee payment request submitted July 17, 2026 and under review.

MEMORANDUM

TO: Members of the Authority

FROM: Evan Weiss, Chief Executive Officer

DATE: July 22nd, 2026

SUBJECT: Community Development Products
Delegated Authority Approvals Q2 2026
For Informational Purposes Only

Small Business Improvement Grant

The Small Business Improvement Grant is the third of several products under the Main Street Recovery Program, designed to help small businesses become more resilient and position themselves for growth. Funded with $80 million, this product reimburses eligible small businesses and nonprofits for up to 50 percent of eligible project costs associated with building improvements or the purchase and/or installation of new furniture, fixtures, and equipment (FFE) made on or after March 9, 2020, but no more than two years prior to application. Businesses and nonprofits that receive grants through these programs are required to agree to pay employees going forward for the four-year grant term at least $15 per hour or 120 percent of the minimum wage. Tipped employees are exempt from the $15 per hour requirement but must still be paid at least 120 percent of the minimum wage. Applicants must also commit to remaining in the facility and meeting wage requirements for up to four years following the execution of the grant agreement and depending upon award amount. Awards greater than $25,000 have a compliance period of four years and grant awards less than $25,000 have a compliance period of two years. The maximum grant award is $50,000 per business entity for the life of this program. Of the $80 million allocated for the program, 40 percent is reserved for businesses located in Opportunity Zone eligible census tracts. The Small Business Improvement Grant closed on May 13th, 2026.

Small Business Improvement Grant – Q2 2026 Review

The online application opened in February 2022 and will continue to accept applications until funding is exhausted. During the second quarter of 2026, 100 applications were approved for a total of $3.5 million. 14 files were declined during the second quarter, and 4 new appeals were filed. These new appeals are still under review. Overall, only 13 declines have been overturned out of 123 total appeals filed for this program.

To date, the Small Business Improvement grant has approved a total of 3,286 applications in the amount of $89.7M in total. See NJEDA's Public Information site for a detailed list of all Small Business Improvement Grant applications that were approved under delegated authority through the second quarter of 2026.

Small Business Improvement Grant Approvals
Q2 2026

Entity	Approval Date	Approved Amount	City	County	Eligible Opportunity Zone
LRF Investments Bogota LLC	4/23/2026	$ 21,874.67	Bogota Borough	Bergen	No
LULU Lounge LLC	5/13/2026	$ 50,000.00	Edgewater Borough	Bergen	No
CNS Data Inc	5/6/2026	$ 44,076.28	Hackensack City	Bergen	Yes
246 Laundry LLC	5/8/2026	$ 50,000.00	Hackensack City	Bergen	Yes
Regala Training LLC	5/14/2026	$ 50,000.00	Old Tappan Borough	Bergen	No
PAWVERLY & COMPANY INC.	5/15/2026	$ 48,231.31	Palisades Park Borough	Bergen	Yes
Supportive Financial LLC	4/8/2026	$ 3,976.12	Ramsey	Bergen	No
Nucleo Training, LLC	5/7/2026	$ 50,000.00	Saddle River Borough	Bergen	No
Luna Crescent Nails LLC	6/4/2026	$ 50,000.00	Upper Saddle River Borough	Bergen	No
BRIGHT DAY HAB LLC	6/4/2026	$ 49,709.88	Burlington	Burlington	No
BIB Enterprises	5/14/2026	$ 35,463.58	Burlington	Burlington	No
Acute Accounting Solutions, LLC	5/21/2026	$ 7,914.89	Marlton	Burlington	No
Clarity Optics, Inc.	4/30/2026	$ 17,894.86	Willingboro	Burlington	No
Allan Magaziner, D.O., P.C.	4/17/2026	$ 50,000.00	Cherry Hill	Camden	No
Next Wave Pediatric ENT LLC	5/21/2026	$ 49,800.41	Cherry Hill	Camden	No
SAINT THOMAS GREEK ORTHODOX CHURCH, INC.	6/18/2026	$ 50,000.00	Cherry Hill	Camden	No
Mind Body Soul Wellness Center LLC	4/23/2026	$ 48,283.79	Collingswood Borough	Camden	No
GEO-ANGELO, INC.	6/11/2026	$ 35,982.11	North Wildwood City	Cape May	Yes
SHORE GUYS HEATING AND AIR CONDITIONING limited liability company	4/16/2026	$ 25,313.54	Rio Grande	Cape May	Yes
Babbie Pediatric Dental LLC	4/2/2026	$ 50,000.00	Vineland	Cumberland	Yes
Quantaflex Printed Electronics Inc.	6/24/2026	$ 50,000.00	Vineland	Cumberland	Yes
H2H Management OZB LLC	4/30/2026	$ 50,000.00	East Orange City	Essex	Yes
Zest Eats Limited Liability Company	6/11/2026	$ 17,759.10	Fairfield	Essex	No
EAS Livingston LLC	4/2/2026	$ 50,000.00	Livingston	Essex	No
TNT Fitness One LLC	4/10/2026	$ 13,249.36	Millburn	Essex	No
BoriBean Coffee Company CO	4/17/2026	$ 50,000.00	Montclair	Essex	Yes
Brivado, LLC	4/8/2026	$ 50,000.00	Orange	Essex	Yes
SOMA Sweets LLC	4/30/2026	$ 50,000.00	South Orange	Essex	No
Bao Tea of Verona LLC	4/22/2026	$ 49,559.20	Verona	Essex	No
Mellen Fitness LLC	6/11/2026	$ 50,000.00	Harrison Town	Hudson	Yes
Juz Pets JC LLC	4/16/2026	$ 24,275.00	Jersey City	Hudson	Yes
Cloud Cooking LLC	5/31/2026	$ 7,902.58	Jersey City	Hudson	Yes
CORTADITOS NJCU LLC	4/22/2026	$ 46,861.22	Jersey City	Hudson	Yes
Midnight Sun Tattoo LLC	5/6/2026	$ 5,465.08	Secaucus	Hudson	No
Paramount Dental Care Inc	5/7/2026	$ 50,000.00	Secaucus	Hudson	No
Jacobus Printing and Design LLC	5/31/2026	$ 48,575.44	Raritan	Hunterdon	No
Salon Nvus Hair LLC	6/26/2026	$ 8,465.13	Hamilton	Mercer	Yes
JDM711 Limited Liability Partnership	4/17/2026	$ 36,283.08	Lawrence	Mercer	No
PSTUDIO LLC	4/8/2026	$ 5,231.60	Princeton Borough	Mercer	Yes
INDOPAK FRESH MARKET LLC	6/18/2026	$ 30,278.94	Cranbury	Middlesex	No
Dhyana Wellness LLC	5/21/2026	$ 50,000.00	Highland Park Borough	Middlesex	No
Meltzer Eye Care Center, P.A.	4/15/2026	$ 3,012.16	Iselin	Middlesex	No
US Mechanical LLC	6/5/2026	$ 50,000.00	Middlesex Borough	Middlesex	No
Shanghai Bridge INC	6/4/2026	$ 50,000.00	Monroe	Middlesex	No
O. Q. TAVERN, INC.	5/31/2026	$ 4,625.00	New Brunswick	Middlesex	Yes
Rapid Ex Forming Corp	4/8/2026	$ 50,000.00	South Plainfield Borough	Middlesex	No
AE Beer LLC	5/31/2026	$ 27,104.19	Aberdeen	Monmouth	No
Makanas Eatery LLC	4/1/2026	$ 32,760.89	Asbury Park City	Monmouth	Yes
Core Ritual LLC	4/9/2026	$ 47,697.29	Brielle Borough	Monmouth	No
BD ENGINEERING LLC	5/6/2026	$ 19,921.17	Farmingdale Borough	Monmouth	Yes
Farchers Grove 01 LLC	5/15/2026	$ 50,000.00	Freehold	Monmouth	No
Berger Golf LLC	5/8/2026	$ 50,000.00	Holmdel	Monmouth	No
Eagle Lane LLC	5/15/2026	$ 50,000.00	Howell	Monmouth	No
Nextgen Abstract LLC	4/23/2026	$ 50,000.00	Howell	Monmouth	No
DOUGLAS PETERSON, D.D.S. P.A.	6/5/2026	$ 9,574.28	Little Silver Borough	Monmouth	No
Old Soul Coffee LLC	6/11/2026	$ 50,000.00	Manalapan	Monmouth	No
Excel Endodontics LLC	4/30/2026	$ 50,000.00	Marlboro	Monmouth	No
Kevin M Jakubowski	6/25/2026	$ 3,260.62	Matawan Borough	Monmouth	No
MIDDLETOWN LEARNING GROUP, LLC	4/9/2026	$ 13,833.76	Middletown	Monmouth	No
Marchetta Holdings LLC	6/11/2026	$ 9,797.43	Red Bank Borough	Monmouth	No
NAIL PASSION CORPORATION	4/1/2026	$ 5,418.16	Spring Lake Heights Borough	Monmouth	No
Alpine Family Dental	5/21/2026	$ 5,224.08	Boonton	Morris	No
Headquarters Salon LLC	4/17/2026	$ 50,000.00	Denville	Morris	No
Neuro Pro Wellness LLC	4/22/2026	$ 46,426.58	East Hanover	Morris	No
Fort Nonsense Brewing LLC	5/21/2026	$ 16,244.90	Randolph	Morris	No
PK PRECISION MACHINING L.L.C.	5/8/2026	$ 50,000.00	Riverdale Borough	Morris	No
Mt. Hope Deli, Inc.	6/4/2026	$ 5,559.56	Rockaway	Morris	No
Longo Electrical-Mechanical, Inc.	4/9/2026	$ 45,600.00	Wharton Borough	Morris	Yes
Euphoria Esthetics & Wellness	6/5/2026	$ 47,927.94	Barnegat	Ocean	Yes
Homecaire LLC	6/18/2026	$ 8,088.58	Jackson	Ocean	No
Keypoint Realty LLC	6/24/2026	$ 50,000.00	Jackson	Ocean	No
Judaica Center LLC	4/30/2026	$ 50,000.00	Jackson	Ocean	No
Kossot Wine LLC	5/21/2026	$ 33,456.91	Lakewood	Ocean	Yes
ISLAND SUPPLY, INC.	6/18/2026	$ 19,663.00	Lakewood	Ocean	Yes
EAS Lakewood LLC	4/2/2026	$ 50,000.00	Lakewood	Ocean	Yes

INTELLISTARS THERAPY LLC	5/8/2026	$	50,000.00	Lakewood	Ocean	Yes
Allset Direct Marketing LLC	5/21/2026	$	46,510.27	Lakewood	Ocean	Yes
Hirsch Dinter & Co	5/7/2026	$	18,320.57	Lakewood	Ocean	Yes
Heads of class Inc.	4/2/2026	$	35,600.08	Lakewood	Ocean	Yes
KMJR FOOD LLC	4/2/2026	$	6,841.52	Lavallette Borough	Ocean	Yes
Garden State Management Limited Liability Company	4/23/2026	$	25,172.36	Toms River	Ocean	No
Heart to Heart Day Habilitation Program LLC	4/16/2026	$	50,000.00	Toms River	Ocean	No
AREPAS EXXPRESS II L.L.C.	5/31/2026	$	8,252.15	Passaic City	Passaic	Yes
Safe Click Passaic, LLC	4/10/2026	$	13,850.41	Passaic City	Passaic	No
1Q Billiard LLC	4/2/2026	$	24,285.00	Paterson	Passaic	Yes
RUSHI LABORATORY CORPORATION	4/16/2026	$	50,000.00	Ringwood Borough	Passaic	No
River Two LLC	4/16/2026	$	28,438.27	Totowa Borough	Passaic	No
GOLDEN FLOWER NAIL SPA INC.	6/11/2026	$	33,442.12	Bernardsville Borough	Somerset	No
Branchburg Oral, Maxillofacial and Implant Surgery LLC	6/4/2026	$	42,260.78	Branchburg	Somerset	No
Aurora Eyecare LLC	5/7/2026	$	50,000.00	Bridgewater	Somerset	No
Chickalrus, Inc.	6/5/2026	$	50,000.00	Green Brook	Somerset	No
MIDJERSEY FAMILY & IMPLANT DENTISTRY LLC	5/31/2026	$	46,445.10	Somerset	Somerset	No
R & S Funeral Home, Inc.	5/8/2026	$	44,750.00	Watchung Borough	Somerset	No
Hudson County Jewish Business Alliance, Inc.	5/8/2026	$	7,340.69	Cranford	Union	No
LILY AND SPARROW LLC	4/17/2026	$	45,839.20	Cranford	Union	No
Posh Perfumes & Cosmetics Inc.	6/5/2026	$	50,000.00	Elizabeth	Union	Yes
SANTILLO'S BAKERY LIMITED LIABILITY COMPANY	4/10/2026	$	49,780.14	Elizabeth	Union	Yes
Sweet Touch NJ LLC	5/31/2026	$	43,035.02	New Providence Borough	Union	No
AESTHTETIC DENTISTRY OF SUMMIT LLC	5/7/2026	$	39,805.22	Summit City	Union	No
Juice More Union LLC	5/1/2026	$	49,391.86	Union	Union	No
TOTAL: 100		**$**	**3,546,984.43**			

Small Business Lease Grant

The Small Business Lease Grant supports the growth and success of small businesses and nonprofits by providing grant funding to cover a portion of lease payments. These resources help the establishment and growth of small businesses, while also helping to fill space that is currently vacant and preventing future vacancies. The Small Business Lease Grant is funded through the Main Street Recovery Finance Program (NJ Economic Recovery Act). Of the $26 million allocated for the program, 40 percent is reserved for businesses located in Opportunity Zone eligible census tracts.

To qualify for the Small Business Lease Grant Program, businesses and nonprofits must enter a new lease, lease amendment, or lease extension that includes at least 250 square feet of street-level office, commercial, or retail space. The lease must have been executed within 12 months prior to the application and applicants must also commit to remaining in the leased space for at least five years. Businesses and nonprofits that receive grants through these programs are required to agree to pay employees going forward for the five-year grant term at least $15 per hour or 120 percent of the minimum wage. Tipped employees are exempt from the $15 per hour requirement but must still be paid at least 120 percent of the minimum wage. The Small Business Lease Grant closed on June 30th, 2026.

Small Business Lease Grant – Q2 2026 Review

The online application opened in October 2021 and will continue to accept applications until funding is exhausted. During the second quarter, 71 applications were approved for a total of $1.7 million. 45 files were declined during the second quarter, and 19 new appeals were filed. These new appeals are still under review with the legal department. Overall, only 59 declines have been overturned out of 619 total appeals filed for this program.

To date, the Small Business Lease Grant has approved 1,093 applications in the amount of $28.1M in total. See NJEDA's Public Information site for a detailed list of all Small Business Lease Grant applications that were approved under delegated authority through the second quarter of 2026.

Small Business Lease Grant Approvals
Q2 2026

Entity	Approval Date	Approved Amount	City	County	Eligible Opportunity Zone
Atlantic Speech and Swallowing Ce	5/7/2026	$ 8,769.60	Egg Harbor	Atlantic	Yes
Go Fitness LLC	4/14/2026	$ 13,058.34	Galloway	Atlantic	No
CE'LAY COUTURE LLC	6/1/2026	$ 10,360.00	Hamilton	Atlantic	Yes
D'Levy & D'Luka LLC	6/5/2026	$ 14,102.68	Allendale Borough	Bergen	No
Mami Hospitality	6/18/2026	$ 34,776.27	Cresskill Borough	Bergen	No
EAS Englewood LLC	6/1/2026	$ 33,331.24	Englewood	Bergen	Yes
Borabora K-Beauty 1 Inc	6/1/2026	$ 20,736.97	Englewood	Bergen	Yes
A&A Pancake Factory Inc	5/18/2026	$ 21,023.30	Fair Lawn Borough	Bergen	No
Reset Wellness Corp	4/1/2026	$ 47,756.25	Fort Lee Borough	Bergen	No
Thrive Hall Events Venue LLC	4/21/2026	$ 21,026.60	Hillsdale Borough	Bergen	No
Chocolada LLC	5/14/2026	$ 14,200.00	Ho-ho-kus Borough	Bergen	No
Regala Training LLC	5/15/2026	$ 22,148.55	Old Tappan Borough	Bergen	No
MIRYANG INC.	4/29/2026	$ 42,704.00	Palisades Park Borough	Bergen	Yes
PAWVERLY & COMPANY INC.	6/5/2026	$ 25,672.00	Palisades Park Borough	Bergen	Yes
EC Athletics LLC	5/15/2026	$ 35,220.00	Saddle Brook	Bergen	No
TKO, LLC	4/27/2026	$ 14,348.80	Teaneck	Bergen	Yes
High Street Office LLC	4/22/2026	$ 60,628.12	Tenafly Borough	Bergen	No
Sfumato Gallery LLC	6/16/2026	$ 24,826.66	Westwood Borough	Bergen	No
Bare Lux Studio LLC	4/13/2026	$ 15,610.00	Bordentown	Burlington	No
Santo Domingo Hair Salon LLC	6/18/2026	$ 14,652.00	Willingboro	Burlington	No
BloGoBar LLC	4/10/2026	$ 12,600.00	Runnemede Borough	Camden	Yes
IQ Prime LLC	6/15/2026	$ 124,602.17	Fairfield	Cumberland	No
Trendset DJL LLC	5/18/2026	$ 21,565.96	Livingston	Essex	No
Sip, Savor, Stay Inc.	5/8/2026	$ 15,358.40	Montclair	Essex	No
Angel Leston LLC	4/21/2026	$ 22,916.42	Newark	Essex	Yes
BOLGA MARKET LLC	5/12/2026	$ 12,960.00	Newark	Essex	Yes
Studio Envie LLC	6/5/2026	$ 14,984.37	South Orange	Essex	No
SOMA Sweets LLC	4/1/2026	$ 16,306.80	South Orange	Essex	No
Carley Storm Photography LLC	6/4/2026	$ 19,378.65	Verona	Essex	No
SyA Express LLC	6/15/2026	$ 15,616.00	West Orange	Essex	Yes
Dalkom7 Inc.	6/16/2026	$ 36,780.00	Jersey City	Hudson	No
Hybrid Coffee & Kitchen LLC	6/1/2026	$ 17,101.59	Jersey City	Hudson	Yes
LIL M CAFE NJ INCORPORATED	5/5/2026	$ 10,635.00	Jersey City	Hudson	Yes
Bergen Hill Group, LLC	5/14/2026	$ 7,340.00	Jersey City	Hudson	Yes
Juz Pets JC LLC	4/1/2026	$ 21,185.00	Jersey City	Hudson	Yes
Mr Tax USA LLC	4/14/2026	$ 9,240.00	North Bergen	Hudson	Yes
Delfiasco Art LLC	4/29/2026	$ 15,417.60	Clinton Town	Hunterdon	No
KRINA PATEL PROFESSIONAL LLC	4/22/2026	$ 19,172.60	Hopewell	Mercer	No
Dhyana Wellness LLC	5/12/2026	$ 18,060.00	Highland Park Borough	Middlesex	No
Young Learning Services LLC	4/24/2026	$ 19,745.70	North Brunswick Township	Middlesex	No
Body Alchemy LLC	4/22/2026	$ 10,962.00	Avon-by-the-sea Borough	Monmouth	No
Maverick Delivers LLC	4/1/2026	$ 14,616.00	Brielle Borough	Monmouth	No
E & A Fitness LLC	4/14/2026	$ 34,343.70	Englishtown Borough	Monmouth	No
Downtown Slime Freehold LLC	6/17/2026	$ 14,400.00	Freehold Borough	Monmouth	Yes
NRH Middletown LLC	6/30/2026	$ 32,051.66	Middletown	Monmouth	No
Main Avenue Galleria, LLC	6/1/2026	$ 18,480.00	Ocean Grove	Monmouth	No
COLOMBITRACHOS LLC	6/1/2026	$ 30,336.00	Dover Town	Morris	Yes
Dynamic Training NJ LLC	5/20/2026	$ 28,393.26	East Hanover	Morris	No
Fedko LLC	6/18/2026	$ 15,400.00	Madison Borough	Morris	No
Morris Eye Associates LLC	6/30/2026	$ 32,009.13	Mendham Borough	Morris	No
Fine Kitchen and Bath LLC	5/15/2026	$ 17,177.60	Parsippany	Morris	No
ALDO & KATHY L.L.C.	4/1/2026	$ 34,916.02	Randolph	Morris	No
Michael Worthing Co., Inc.	6/12/2026	$ 54,026.78	Randolph	Morris	No
Brick Fitness Center LLC	6/5/2026	$ 29,246.25	Brick	Ocean	No
Vivid Painting LLC	6/4/2026	$ 16,870.00	Jackson	Ocean	No
Specialist Services PA LLC	6/17/2026	$ 45,321.24	Jackson	Ocean	Yes
Decorative Vinyl & Fabric DVC LLC	6/1/2026	$ 32,892.00	Lakewood	Ocean	Yes
Esrogei Hamel LLC	6/5/2026	$ 23,320.40	Lakewood	Ocean	Yes
FLOWERS BY G INC.	4/1/2026	$ 42,748.80	Lakewood	Ocean	Yes

Ocean Stone LLC	6/9/2026	$ 24,493.20	Lakewood	Ocean	Yes
ShipIt North LLC	6/29/2026	$ 17,181.44	Lakewood	Ocean	Yes
Lumispec Lighting Inc.	5/12/2026	$ 22,813.50	Toms River	Ocean	No
Centraclean LLC	4/28/2026	$ 33,002.77	Toms River	Ocean	No
Earth & Ember LLC	4/20/2026	$ 13,216.00	Hewitt	Passaic	No
Bendita Arepa LLC	4/1/2026	$ 12,534.00	Woodland Park Boro	Passaic	No
YANELY STYLIST LLC	5/20/2026	$ 5,460.00	Woodland Park Boro	Passaic	No
The Promissory LLC	4/8/2026	$ 19,488.00	Somerset	Somerset	No
B & J Group LLC	6/18/2026	$ 37,466.62	Garwood Borough	Union	No
R&C Restoration Services Limited L	4/22/2026	$ 38,405.93	Garwood Borough	Union	No
Brow House & Beauty LLC	6/9/2026	$ 16,560.00	Union	Union	No
TD SCOPE LLC	4/21/2026	$ 21,816.00	Westfield Town	Union	No
TOTAL: 71		**$ 1,735,865.94**			

Small Business E-Commerce Support Program

The Small Business E-Commerce Support Program is a $4 million pilot program funded by the Main Street Recovery Finance Program. The program offers up to $11,400 in consulting services to eligible restaurants, retailers, and personal care businesses to assist with the development of websites, e-commerce platforms, and digital marketing plans. To be eligible, a restaurant, retail store, or personal care business must be in a commercial location with a physical storefront and meet the U.S. Small Business Administration's (SBA) definition of a small business. Business type will be verified by NAICS Code, location will be verified via Google maps search results, business registration and good standing will be confirmed by required submission of a NJ Division of Taxation current tax clearance certificate and small business status will be verified using the SBA Table of Small Business Size Standards. Services small businesses can receive include web page design and development, online ordering implementation, online appointment booking implementation, e-commerce design and development, and online marketing plan development. Restaurants and personal care businesses can receive up to $11,400 in consulting services, while retail stores can receive up to $10,800.

Small Business E-Commerce Support Program – Q2 2026 Review

The application opened in March 2023. The initial term ran until February 2025 and its first contract extension ran until February 2026. Currently, the program is in its second and final 1-year extension until February 2027, or until funding is exhausted. During the second quarter of 2026, 59 entities were approved, totaling $486K.

At the end of Q2, the Small Business E-Commerce Support Program has 847 approved projects for a total of $6.7M. See NJEDA's Public Information website for a detailed list of all Small Business E-Commerce Support projects that were fully completed under delegated authority through the second quarter of 2026.

Small Business E-Commerce Support Program
Q2 2026

Entity	Approval Date	Assisted Amount	City	County	Qualified Opportunity Zone
Aliona Rudys MD Internal Med LLC	6/11/2026	$1,681.32	Fair Lawn	Bergen	N
Kingdom Coffee LLC	6/11/2026	$9,561.00	Hackensack	Bergen	Y
All In One Advanced Auto Repair LLC	6/2/2026	$9,252.00	Little Ferry	Bergen	Y
BBBLC LLC	6/15/2026	$10,089.00	Northvale	Bergen	N
Classy Little Bride LLC	6/4/2026	$4,806.52	Marlton	Burlington	N
Belliard's Hair Design Studio & Spa, Inc.	4/27/2026	$9,650.00	Cherry Hill	Camden	N
Anatolia Art & Craft Studio LLC	5/29/2026	$7,256.98	Haddonfield	Camden	N
Camilya Beauty Studio LLC	4/21/2026	$10,650.00	Millville	Cumberland	Y
Joi's Angels, Inc.	6/23/2026	$9,252.00	East Orange	Essex	Y
Brectohealth LLC	6/26/2026	$4,806.52	Irvington	Essex	Y
The Millburn Supper Club LLC	4/24/2026	$9,552.00	Millburn	Essex	N
Millburn Photo Corporation	5/7/2026	$9,261.00	Millburn	Essex	N
Thought in Motion LLC	6/18/2026	$9,561.00	Montclair	Essex	N
Little Walkers' Child Care Center Corp.	6/10/2026	$7,256.98	Newark	Essex	Y

Bucco Couture LLC	4/17/2026	$4,806.52	Nutley	Essex	N
Preschool Learn Time LLC	6/2/2026	$7,256.98	Nutley	Essex	N
Cute As New LLC	4/28/2026	$9,561.00	South Orange	Essex	N
Envision Education Solutions, Inc.	5/14/2026	$4,806.52	Jersey City	Hudson	Y
Lady G's Empanadas LLC	6/26/2026	$5,119.04	Jersey City	Hudson	Y
Stella's Empanadas & Argentine Grill LLC	6/2/2026	$9,552.00	Kearny	Hudson	N
The 3D Lab LLC	4/17/2026	$9,252.00	Flemington	Hunterdon	Y
Jersey Community Acupuncture LLC	4/28/2026	$9,552.00	Flemington	Hunterdon	Y
Defiant Hair LLC	5/18/2026	$9,561.00	Flemington	Hunterdon	Y
The Happy Peacock LLC	6/2/2026	$9,261.00	Flemington	Hunterdon	Y
Precious Gems Academy, Inc.	6/17/2026	$7,256.98	Flemington	Hunterdon	N
Walkers Caribbean Grill LLC	5/18/2026	$7,656.98	Ewing	Mercer	N
Torregaveta LLC	5/19/2026	$10,650.00	Hamilton	Mercer	Y
Trenton Photographers, Inc.	4/28/2026	$4,806.52	Trenton	Mercer	Y
Hanover Creative LLC	5/13/2026	$9,252.00	Trenton	Mercer	Y
MBM Fashion & Variety Store LLC	5/15/2026	$4,806.52	Trenton	Mercer	Y
Sophisticated Chocolates Manufacturing, Inc.	5/1/2026	$7,656.98	Windsor	Mercer	N
Advanced Eyecare of Carteret, Inc.	6/23/2026	$10,050.00	Carteret	Middlesex	Y
Highland Park Tattoo LLC	5/29/2026	$9,552.00	Highland Park	Middlesex	N
Blossom & Bee Floral & Events Design LLC	4/22/2026	$9,561.00	Colts Neck	Monmouth	N
Ocean Grove Area Chamber of Commerce	5/7/2026	$9,261.00	Ocean Grove	Monmouth	N
Little Birds Speech Therapy LLC	4/27/2026	$4,806.52	Red Bank	Monmouth	N
Gaffney LLC	6/26/2026	$9,552.00	Sea Bright	Monmouth	N
North Capital Funding Corporation	5/29/2026	$9,252.00	Denville	Morris	N
The Barn Café Corp	5/29/2026	$9,252.00	Denville	Morris	N
Thrift Barns of Morris County	6/26/2026	$9,252.00	Denville	Morris	N
Meatflame LLC	4/21/2026	$9,552.00	Dover	Morris	Y
Capisce Trattoria, Inc.	6/26/2026	$9,552.00	Morris Plains	Morris	N
Red Sea Foods LLC	4/28/2026	$9,552.00	Morristown	Morris	N
Address Group LLC	5/12/2026	$9,552.00	Morristown	Morris	N
Sabores Latinos LLC	6/23/2026	$9,552.00	Morristown	Morris	N
Halo Skin Solutions LLC	5/15/2026	$5,119.04	Randolph	Morris	N
Luv's Hospitality LLC	4/17/2026	$9,552.00	Stafford Township	Ocean	N
Magpie Bakery LLC	4/28/2026	$9,861.00	Bloomingdale	Passaic	N
Haledon Diner LLC	6/2/2026	$9,552.00	Haledon	Passaic	Y
The Vitamins Depot LLC	4/24/2026	$4,806.52	Little Falls	Passaic	N
Bendita Arepa LLC	4/24/2026	$9,552.00	Woodland Park	Passaic	N
Paint & Release LLC	6/3/2026	$9,252.00	Raritan	Somerset	N
Sister's Spanails I LLC	6/3/2026	$9,552.00	Cranford	Union	N
Tavolachar LLC	6/11/2026	$4,806.52	Garwood	Union	N
Jalloh & Jalloh LLC	4/28/2026	$9,252.00	Linden	Union	Y
ANG Business Services LLC	5/14/2026	$7,256.98	Linden	Union	Y
Smily & Co. LLC	4/17/2026	$7,630.00	Springfield	Union	N
Brow Eyed Girl LLC	5/29/2026	$9,552.00	Summit	Union	N
GOOlarue LLC	6/18/2026	$9,261.00	Westfield	Union	N
TOTAL: 59		**$486,753.94**			

Small Business Liquor License Support Grant

The Small Business Liquor License Support Grant is a pilot program under the Main Street Recovery Finance Program that will reimburse eligible NJ small businesses 50%, up to a maximum of $100,000, of the purchase price of a previously inactive Plenary Retail Consumption License purchased within 12 months of application. The Small Business Liquor License Support Grant closed on June 26th, 2026.

Small Business Liquor License Support Grant Q2 2026

During the second quarter of 2026, 1 application was approved totaling $31,250.00. No applicants were declined in the second quarter and 1 was appealed. Overall, 1 decline has been overturned out of 6 total appeals filed for this program.

Entity	Approval Date	Approved Amount	City	County	Qualified Opportunity Zone
EL PACIFICO INC	4/22/2026	$ 31,250.00	Bridgeton	Cumberland	No
TOTAL: 1		**$ 31,250.00**			

Main Street Acquisition Support Grant

The Main Street Acquisition Support Grant is a $5 million pilot product under the Main Street Recovery Fund, which offers a grant of up to $50,000 to reimburse eligible NJ small businesses for closing costs related to purchasing a New Jersey commercial property.

Main Street Acquisition Support Grant Q2 2026 Review

During the second quarter of 2026, 9 applications were approved totaling $384K. 5 applicants were declined in the second quarter and none were appealed. Overall, only 1 decline has been overturned out of 8 total appeals filed for this program.

To date, the Main Street Acquisition Support Grant has approved 55 applications totaling $1.9M.

Main Street Acquisition Support Grant
Q2 2026

Entity	Approval Date	Approved Amount	City	County	Qualified Opportunity Zone
BRIGHT DAY HAB LLC, Bright Terri LLC	5/14/2026	$ 50,000.00	Burlington City	Burlington	No
Uptown Development LLC	6/29/2026	$ 48,826.31	Newark	Essex	Yes
HOLISTIC BEHAVIORAL SOLUTIONS LIMITED LIABILITY COMPANY, 200 WEST STATE CORPORATION	5/5/2026	$ 19,215.00	Robbinsville	Mercer	Yes
Allstate Medical Supplies LLC, AM Realty Holdings LLC	6/29/2026	$ 50,000.00	Manasquan	Monmouth	No
Point Collection LLC, Point Holdings NJ LLC	5/15/2026	$ 50,000.00	Wall Township	Monmouth	No
Humble Nature, LLC, Barn Light, LLC	5/5/2026	$ 50,000.00	Harvey Cedars	Ocean	No
MACK BORING AND PARTS CO., Mack Realty of Somerset LLC	5/6/2026	$ 50,000.00	Franklin Township	Somerset	No
S.I.C. Film School LLC	4/27/2026	$ 16,320.84	Hillside	Union	No
GND LLC, CHILDHOOD DREAMS LLC	4/27/2026	$ 50,000.00	Union	Union	No
TOTAL: 9		**$ 384,362.15**			

Cannabis Business Development (CBD) Grant

The Cannabis Business Development (CBD) Grant is a pilot equity program offering $75,000 reimbursements to eligible cannabis manufacturers, cultivators, retailers, and testing laboratories in New Jersey.

Cannabis Business Development (CBD) Grant

During the second quarter of 2026, 8 application were approved totaling $600K. There were 14 declines and 2 appeals. No declines were overturned. To date, the Cannabis Business Development approved 74 applications totaling $5.6M.

Cannabis Business Development (CBD) Grant
Q2 2026

Entity	Approval Date	Approved Amount	City	County	Impact Zone
Phula LLC	6/22/2026	$ 75,000.00	Mount Holly	Burlington	Yes
Nirvana Dispensary LLC	4/6/2026	$ 75,000.00	Mount Laurel	Burlington	Yes
Inclusion Gourmet LLC	6/22/2026	$ 75,000.00	Fairfield	Cumberland	No
Emerald Tea Supply Company LLC	6/23/2026	$ 75,000.00	Bloomfield	Essex	No
Treeotics LLC	6/18/2026	$ 75,000.00	Newark	Essex	Yes
Blackwood Wellness LLC	4/6/2026	$ 75,000.00	Blackwood	Gloucester	No
Memes Danckk World LLC	4/8/2026	$ 75,000.00	Jersey City	Hudson	Yes
Altitude Cannabis LLC	4/2/2026	$ 75,000.00	Toms River	Ocean	No
TOTAL: 8		**$ 600,000.00**			

Qualified Business Facility (QBF) Waiver Funding

QBF waiver funding is paid to NJEDA by businesses that were awarded tax credits under P.L. 1996, c.25 (C.34:1B-112 et seq.). These businesses were required to have eligible full-time jobs on site 60% of the time. Following the termination of the public health emergency declared by the Governor pursuant to Executive Order No. 103 of 2020 businesses were able to elect to waive the 60% requirement beginning 7/1/22 and ending 3/31/24 in exchange for payment of 5% of their total award to NJEDA to reallocate to small businesses.

The money is based per city, so it must be reallocated directly back into the community it came from. Programs currently using the funding include Small Business Improvement Grant (SBIG), Small Business Lease Grant (SBLG), Main Street Acquisition Support Grant (MSASG), and Premier Lending Program (SLPPL).

QBF Waiver Funding

During the second quarter of 2026, 11 applications that used this funding were approved, totalling $208K. To date, this funding has been used for 76 applications for a total of $2.2M. The applications below are listed in their respective section above as well.

QBF Waiver Funding
Q2 2026

Entity	Approval Date	Approved Amount	Product Name	City	County
Supportive Financial LLC	4/8/2026	$3,976.12	SBIG	Ramsey	Bergen
Bergen Hill Group, Inc.	5/14/2026	$7,340.00	SBLG	Jersey City	Hudson
Cloud Cooking LLC	5/31/2026	$7,902.58	SBIG	Jersey City	Hudson
CORTADITOS NJCU LLC	4/22/2026	$46,861.22	SBIG	Jersey City	Hudson
Lil M Cafe Incorporated	5/5/2026	$10,635.00	SBLG	Jersey City	Hudson
Hybrid Coffee & Kitchen LLC	6/1/2026	$17,102.00	SBLG	Jersey City	Hudson
Dalkom7 Inc.	6/17/2026	$36,780.00	SBLG	Jersey City	Hudson
Paramount Dental Care Inc	5/5/2026	$50,000.00	SBIG	Secaucus	Hudson
Midnight Sun Tattoo LLC	5/5/2026	$5,465.08	SBIG	Secaucus	Hudson
PSTUDIO LLC	4/8/2026	$5,231.60	SBIG	Princeton	Mercer
Fine Kitchen and Bath LLC	5/15/2026	$17,177.60	SBLG	Parsippany-Troy Hills Township	Morris
TOTAL: 11		**$208,471.20**			

Evan Weiss, CEO

MEMORANDUM

TO: Members of the Authority

FROM: Evan S. Weiss, Chief Executive Officer

DATE: July 22, 2026

SUBJECT: Credit and Finance Projects Approved Under Delegated Authority –
For Informational Purposes Only

The following project was approved under Delegated Authority in June 2026:

Premier Lender Program:

1) GKA Realty LLC (Prod-00325201), located in Tinton Falls Borough, Monmouth County, was formed in 2026 as a real estate holding company to purchase the project property. The operating company, GKA Snacks LLC, was formed in 2023 as a manufacturer and distributor of confectionery products, producing a variety of cookies, chocolates and brittle. First Bank approved a $4,600,000 commercial mortgage loan contingent upon a 43.48% ($2,000,000) Authority participation. The Company currently has 52 employees and plans to create 50 new positions within the next two years.

Evan S. Weiss, CEO

Prepared by: G. Robins

TO: Members of the Authority

FROM: Evan S. Weiss, Chief Executive Officer

DATE: July 22, 2026

SUBJECT: Real Estate Division Delegated Authority for Leases and Right of Entry (ROE)/ Licenses for January 2026 and February 2026 - ***For Informational Purposes Only***

The following approvals were made pursuant to Delegated Authority for Leases and ROE/ Licenses in January 2026 and February 2026.

LEASES

TENANT	LOCATION	TYPE	TERM	S.F.
Angis Bio Inc.	NJBSCI	Lease	One Year	1290sf

The following approvals were made pursuant to Delegated Authority for Procurement, including the issuance of Task Orders for January 2026, and February 2026:

DATE EXECUTED	ENTITY	PROJECT	TYPE	CONSIDERATION
1/6/2026	Property Title & Escrow	REGAP- 500 High Street, LLC	Procurement Including Task Orders	$301.50
1/12/26	Two Rivers Title	REGAP- Institute of Music for Children	Procurement Including Task Orders	$296.25
2/26/2026	Property Title & Escrow	LPA-Trenton	Procurement Including Task Orders	$295.00
2/26/2026	Two Rivers Title	LPA-Carteret	Procurement Including Task Orders	$290.00

The following rights-of-entry/license agreements were approved under Delegated Authority for January 2026 and February 2026:

ENTITY	**LOCATION**	**TYPE**	**TERM**
NJDEP	Liberty State Park Revitalization Program	Right of Entry or Site License Agreement	One Year

Evan Weiss, CEO

MEMORANDUM

TO: Members of the Authority

FROM: Evan Weiss

Chief Executive Officer

DATE: July 22, 2026

SUBJECT: Memoranda of Understanding Approved under Delegated Authority (June 2025 – June 2026) ***(For Informational Purposes Only)***

On June 8, 2022, the Board delegated authority to the Chief Executive Officer (CEO) to execute Memoranda of Understanding (MOUs) regarding "matters for which the CEO has delegated authority to approve and execute were the matter accomplished through a binding contract, including procurement, or approve but for the payment to EDA for EDA's services, including lending staffing, up to the lesser of the corresponding delegated authority maximum or a maximum financial commitment of $500,000 for each MOU." Further, at the December 14, 2023 meeting, the Board authorized additional delegated authority by increasing the threshold for certain MOUs and procured contracts to $1 million. Additionally, the Board has approved various programs that are funded through appropriations from the American Rescue Plan Act (ARP Act) – Coronavirus State Fiscal Recovery Fund (CSFRF), administered by the New Jersey Department of Community Affairs (DCA), and delegated authority to the CEO to enter into MOUs with DCA for that funding. Staff keep the Board informed by reporting activity under those delegations of authority on an annual basis.

For the time period from June 14, 2025 to June 30, 2026, the CEO approved and executed **36** Memoranda of Understanding pursuant to these delegations of authority, as summarized below.

Execution Date	**Parties**	**Expiration Date/End of Term**	**Description**
6/23/2025	Camden County Community College	4/25/2026	Amendment extending the existing agreement for an additional 12 months to continue student training on designated equipment.

7/1/2025	New Jersey Council of County Colleges	6/30/2026	Establishes a partnership between NJEDA and the New Jersey Council of County Colleges to support shared initiatives and coordination across the county college system.
7/21/2025	Maternal Infant Health Innovation Authority	Expiration tied to project completion or MOU termination	Agreement re: development and construction of the Maternal Infant Health Innovation Center. The center's completion is anticipated to be Summer 2027. NJEDA will own the MIHIC and lease to MIHIA.
8/6/2025	Rutgers University	8/6/2027	Supersedes the prior NJZIP MOU and provides services for NJZIP Phase 3 and the Zero Emission Vehicle Financing Program, including help desk support. Funded at $500,000 through RGGI and the 2019 Energy Master Plan.
8/6/2025	New Jersey State Council on the Arts	8/6/2027	Agreement regarding final artwork installation at the Maternal and Infant Health Innovation Center.
8/7/2025	Rutgers University	12/31/2026	Amendment One to original MOU to increase unexpended CSFRF funds in the amount of $3,592,607 from the Predevelopment Agreement with Rutgers (May 6, 2024) for University Hospital Study and Plan Grant.
8/14/2025	New Jersey State Museum	9/18/2026	Second amendment extending the expiration date to September 18, 2026 to create a comprehensive plan to reactivate Trenton's War Memorial as a cultural and arts anchor.
8/14/2025	Casino Reinvestment Development Authority	8/14/2032	Seven-year requirement for CRDA to maintain supermarket operations at Renaissance Plaza, supported by an $11 million allocation.
9/8/2025	Department of Human Services	6/28/2028	Amendment One extending term for an additional 3 years to continue funding for NJEDA's Childcare Facilities Improvement Pilot program.
9/9/2025	Department of Community Affairs	3/31/2027	Amendment reducing SFRF grant funds for the Property Assemblage Program by $8 million, resulting in a revised total of $28,181,583.97.

9/15/2026	Casino Reinvestment Development Authority	Until project completion or 60 days after grant funds expenditure	Allocates $8,971,849 million towards the design and capital improvements at Renaissance Plaza as part of the Property Assemblage funds.
9/16/2025	NJ Treasury - Division of Property Management and Construction	1/31/2027	Renews Lease 4718 for One Gateway Center through January 31, 2027.
10/7/2025	Department of Labor	10/7/2028	This MOA establishes a reciprocal data-sharing process allowing NJEDA to receive unemployment compensation (UC) data from NJDOL for assessing applicant compliance with labor laws and determining "substantial good standing," with each agency exchanging data at no cost due to reciprocal benefits.
10/9/2025	HUB71 LTD	N/A	Establishes collaboration opportunities between NJ-based and Abu Dhabi-based technology startups, following the State's 2025 New Jersey delegation visit to the UAE.
10/17/2025	Dnipropetrovsk Regional State (Military) Administration, Ukraine	10/17/2030	Creates a partnership to identify and develop projects of mutual benefit.
10/27/2025	NJ Department of Environmental Protection	10/27/2027	Addendum to the Council of Green Economy extending the term of the existing MOU to October 27, 2027 to support the Council on Green Jobs for NJEDA to further the objectives outlined in the "Green Council's Green Jobs for a Sustainable Future" report.
10/29/2025	NJ Transit	10/29/2029	Provides up to $16.5 million in RGGI funding for NJ Transit to procure eight additional electric buses and install associated charging infrastructure to expand the agency's Camden-based bus electrification program including NJ Transit's Newton Garage.
11/17/2025	Casino Reinvestment Development Authority	9/15/2032	First Amendment increasing the grant award amount by $3.5 million for total amount of $12,471,849. MOU amends

			the Scope of Work and adds planning, study, design and fit-out and capital improvements of the space leased for the grocery store at Renaissance Plaza.
11/25/2025	Kean University	11/25/2026	Second MOU with Kean University to continue the Initiative for a Competitive Inner-City Program.
12/11/2025	Fort Monmouth Economic Revitalization Authority	1/31/2031	Establishes a lease permitting FMERA to use and occupy specified premises through January 31, 2031.
12/12/2025	Department of Labor	12/31/2028	Replaces the prior Prevailing Wage MOU, which expired December 31, 2025, with a new agreement effective through December 31, 2028.
12/24/2025	Department of Community Affairs	3/31/2027	Amendment provides an additional $1 million in State Fiscal Recovery Fund support for the Atlantic City Revitalization Program.
12/24/2025	NJ Department of Treasury	12/31/2027	Amendment extends the NJEDA–Treasury Division of Purchase and Property Memorandum of Understanding authorizing NJEDA to monitor affirmative action compliance in public works construction period.
1/16/2026	NJ Institute of Technology/ Princeton University/ Rowan University/ Rutgers University/ Stevens Institute of Technology	1/16/2027	Establishes a collaborative framework between NVIDIA, NJEDA, New Jersey higher education institutions, NJ Council of County Colleges, and the NJ AI Hub to explore statewide AI research, workforce development, educational initiatives, and AI infrastructure opportunities.
2/5/2026	Commission on Science Innovation and Technology	6/30/2026	This sixth amendment temporarily extends the NJEDA–CSIT Memorandum of Understanding uninterrupted staffing and support services while the parties finalize a new amended and restated MOU.
2/27/2026	NJ Institute of Technology	9/1/2026	This amendment extends the NJEDA–NJIT MOU supporting a part-time Administrative Director for the New Jersey Big Data Alliance by six months

			to allow NJIT to complete its reporting obligations.
4/7/2026	NJ Department of Community Affairs	N/A	Memorializes return of the surplus funds ($49,368.83 in administrative funds) to NJ DCA from the closed Commuter and Transit (Private Carrier) Program.
4/16/2026	Fort Monmouth Economic Revitalization Authority	1/31/2031	This addendum increases FMERA's funding commitment to NJEDA for environmental remediation at the Myer Center site, raising FMERA's total payment from $150,000 to $300,000 to cover expanded groundwater investigation and remediation activities under the 2026 T&M Proposal.
5/29/2026	City of Newark	5/29/2030	Provides $5,000,000 from NJEDA's Film Industry Strategic Support Fund for the City of Newark to undertake municipal improvements and infrastructure projects that support Lionsgate Studios' development and related economic activity.
5/29/2026	Borough of Oceanport	5/29/2030	Provides $5,000,000 from NJEDA's Film Industry Strategic Support Fund for the Borough of Oceanport to undertake improvements and infrastructure projects supporting the Netflix Studios development.
5/29/2026	Eatontown Borough	5/29/2030	Provides $5,000,000 from NJEDA's Film Industry Strategic Support Fund for Eatontown Borough to implement infrastructure and improvement projects connected to the Netflix Studios development.
6/4/2026	Casino Reinvestment Development Authority	9/15/2032	Second amendment increases the grant award by $3.5 million for total amount of $15,971,849 due to estimated costs exceeding original budget for design and capital improvements at Renaissance Plaza.
6/8/2026	The College of New Jersey	Until the conclusion of June 18, 2026 event	Grants NJEDA the use of TCNJ's property, facilities, furniture, fixtures and equipment for the June 18, 2026 Founders and Funders seminar.

6/23/2026	Borough of Oceanport	5/29/2030	This amendment increases the maximum funding amount that can be requested to $1,000,000 in the NJEDA-Borough of Oceanport MOU.
6/23/2026	Eatontown Borough	5/29/2030	This amendment increases the maximum funding amount that can be requested to $1,000,000 in the NJEDA-Eatontown Borough MOU.
6/30/2026	NJ Department of Environmental Protection	6/30/2027	This amendment extends the NJEDA–NJDEP MOU which supports funding the purchase of electric vehicles and charging stations by an additional year to allow all $46,000,000 of RGGI funding to be fully expended.

Evan Weiss, CEO