



MEMORANDUM

TO: Members of the Authority

FROM: Timothy Sullivan
Chief Executive Officer

DATE: December 15, 2025

SUBJECT: Agenda for Board Meeting of the Authority December 15, 2025

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

CEO's Report to the Board

Public Comment

Economic Transformation

Incentives

Authority Matters

Real Estate

Board Memoranda

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

November 12, 2025

MINUTES OF THE MEETING

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

Members of the Authority present in person: Chairman Terry O'Toole, Aaron Creuz, Executive Representative; Commissioner Robert Asaro-Angelo of the Department of Labor and Workforce Development; Elizabeth Dragon representing Commissioner Shawn LaTourette of the Department of Environmental Protection; Public Members Phil Alagia, and Jewell Antoine-Johnson, Second Alternate Public Member.

Members of the Authority present via Microsoft Teams or conference call: Manuel Paulino representing Commissioner Justin Zimmerman of the Department of Banking and Insurance, Public Members Fred Dumont, Massiel Medina Ferrara, Aisha Glover, and Josh Weinreich.

Members of the Authority absent: Elizabeth Maher Muoio, State Treasurer; Public Members Charles Sarlo, Vice Chair; and Robert Shimko, First Alternate Public Member.

Also present: Timothy Sullivan, Chief Executive Officer of the Authority; Mary Maples, Deputy Chief Executive Officer, Matthew Reagan, Assistant Attorney General, and staff.

Chairman O'Toole called the meeting to order at 10:00am.

In accordance with the Open Public Meetings Act, Mr. Sullivan 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.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the October 9, 2025 meeting minutes; the October 9, 2025 executive session meeting minutes; and the October 30, 2025 special meeting minutes. A motion was made to approve the minutes by Mr. Dumont, seconded by Mr. Weinreich, and approved by the ten (10) voting members present.

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.

PUBLIC COMMENT

Julia Taylor, Executive Director of the American Graffiti Museum in Trenton, commented on the Café program, and asked about the timeline for approvals and declinations under the program.

Citi Medina, Founder at Equal Space, commented on the Activation, Revitalization and Transformation (ART) Program Phase 1.

FOR INFORMATION ONLY: The next item was a summary of the Incentives Committee meeting from October 28, 2025.

Manuel Paulino, designee for the Department of Banking and Insurance, joined the meeting at this time.

INCENTIVES

ASPIRE

ITEM: Downtown HUB Associates III (“Applicant”), New Brunswick, Middlesex County

REQUEST: Issuance of tax credits from the Aspire program for a single-phase Transformative residential project located in New Brunswick, New Jersey, Middlesex County up to 80% of the total project cost.

MOTION TO APPROVE: Mr. Weinreich SECOND: Mr. Alagia AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ITEM: One SD Hoboken (Hilton Hoboken), Hoboken, Hudson County

REQUEST: To approve: (1) the modification of the Net Benefit Analysis policy approved by the Members on November 10, 2021 as part of the creation of the Aspire Program to more accurately capture employment in the hospitality industry (2) issuance of tax credits from the Aspire program for a commercial project located in Hoboken, New Jersey, Hudson County, up to 60% of the eligible project cost.

MOTION TO APPROVE: Ms. Antoine-Johnson SECOND: Ms. Dragon AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

CAFE

ITEM: Project Supernova; Liberty Science Center, Inc.; Jersey City, Hudson County

REQUEST: To approve: (1) A policy for defining the term “cultural arts” for the CAFE program for determining the eligibility criteria for cultural arts projects; (2) The reservation of tax credits in the maximum amount from the Aspire and Emerge programs to the CAFE program, ensuring CAFE can operate on a rolling basis, and approval of the policy to re-allocate tax credits as needed with each approval; (3) For the Project Supernova cultural arts facilities project located in Jersey City, Hudson County, a tax credit award of 100% of the eligible project cost, not to exceed a certain maximum amount.

MOTION TO APPROVE: Comm. Angelo SECOND: Ms. Dragon AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

ITEM: South Street Theater Co. Inc. dba Mayo Performing Arts Center (“Applicant”), Mayo PAC Expansion and Renovation Project

REQUEST: The Members are requested to approve a tax credit award of 100% of the eligible project cost (“eligible costs”), under the Cultural Arts Facilities Expansion (CAFE) Program for the Mayo PAC Expansion and Renovation cultural arts facilities project (Project) located in Morristown City, Morris County.

MOTION TO APPROVE: Ms. Dragon SECOND: Mr. Weinreich AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

HISTORIC PROPERTY REINVESTMENT PROGRAM

ITEM: 153 Halsey Newark LLC, Newark

REQUEST: To approve a Historic Property Reinvestment tax credit award to 153 Halsey Newark LLC for the Gibraltar Building Rehabilitation Project.

MOTION TO APPROVE: Ms. Dragon SECOND: Ms. Antoine-Johnson AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

Mr. Alagia, recused himself because his employer, Essex County, currently has an ownership interest in the building.

NEXT NJ

ITEM: CoreWeave, Inc., Next NJ Program- AI

REQUEST: To approve a NEXT NJ Program AI tax credit award to CoreWeave, Inc.

MOTION TO APPROVE: Comm. Angelo SECOND: Ms. Dragon AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

FOR INFORMATION ONLY: The next item was a summary of the Policy Committee meeting from November 3, 2025.

ECONOMIC SECURITY

ITEM: First Set of Approvals of Applicants for the Food Equity and Economic Development in New Jersey (FEED NJ) Pilot Program

REQUEST: To approve: (1) Fifty (50) awardees; (2) Reserving proceeds from the 2025 Food Desert Relief Tax Credit Auction as needed to cover the cost of any successful future appeals; (3) An update to the deadline for awardees to meet program closing requirements.

MOTION TO APPROVE: Mr. Alagia SECOND: Mr. Dumont AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

INNOVATION IMPACT

ITEM: Strategic Innovation Center Investment in the NJ HAX Plasma Forge LLC

REQUEST: To approve: To approve: (1) A Strategic Innovation Center investment in a newly formed two-member New Jersey limited liability company, NJ HAX Plasma Forge LLC, in partnership with SOSV Investments, LLC that will operate an innovation hub focused on novel plasma physics research commercialization in New Jersey; (2) Authorization to the CEO to execute documents required; (3) an administrative fee for administrative costs plus associated Authority legal costs allowed through the Economic Recovery Fund statute.

MOTION TO APPROVE: Ms. Dragon SECOND: Ms. Antoine-Johnson AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

NJIEF

ITEM: Qualified Investment – TranscendAP (Rittenhouse Ventures)

REQUEST To approve a Qualified Investment presented under the New Jersey Innovation Evergreen Program.

MOTION TO APPROVE: Ms. Antoine-Johnson **SECOND: Mr. Alagia** **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: Qualified Investment – TranscendAP (Tech Council Ventures)

REQUEST: To approve a Qualified Investment presented under the New Jersey Innovation Evergreen Program.

MOTION TO APPROVE: Ms. Antoine-Johnson **SECOND: Ms. Dragon** **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

Mr. Weinreich recused himself due to prior potential (but not actual) investment discussions with Aaron Price, President & CEO of a related entity, Tech United.

NJIF

ITEM: NJ Innovation Fellows AI Cohort, Approvals and Declinations

REQUEST: To approve: (1) the five highest scoring applications to be included in the AI Cohort of the New Jersey Innovation Fellows Program; (2) to discretionarily decline seven applications; (3) and should an approved applicant not execute a NJIF grant agreement, staff requests that the CEO be granted delegated authority to award the next highest scored team in the AI Cohort of NJIF.

MOTION TO APPROVE: Comm. Angelo **SECOND: Ms. Dragon** **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

COMMUNITY DEVELOPMENT

ITEM: Utilization of FY26 Main Street Appropriation & Reallocation of Funding

REQUEST: To approve: (1) Utilize funds identified in the FY26 State Budget Appropriation Act to the Main Street Finance Program Recovery Fund to fund additional grant approvals Small Business Lease Grant (SBLG) and Small Business Improvement Grant (SBIG) with 40% set aside for grants to businesses located in Opportunity Zone eligible census tracts. An administrative fee will be deducted from the funds to cover the costs needed for the Authority to administer both products; (2) Reallocate funds from the Main Street Recovery Finance Program products that are either closed or overfunded to fund additional grant approvals for the SBLG and SBIG; (3) Utilization of the remaining funding for grant approvals.

MOTION TO APPROVE: Ms. Dragon **SECOND: Mr. Dumont** **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

AUTHORITY MATTERS

ITEM: NJ BASE Program Parameters

REQUEST: To approve: (1) NJ BASE program including its core objectives, costs, recruitment strategy for international companies, as well as offering completely subsided space for a limited period of time to participants paid for by NJEDA; (2) Delegation of authority to the CEO to make individual approvals and non-discretionary declinations of program applicants in accordance with requirements; (3) No application fees for NJ BASE because it is a pilot program that will be in effect for three years, and based on the nature of the program to recruit international companies to ensure barrier-free access to the U.S. market allowing for competitiveness with other states, and due to the program's operation by a third party which is fully funded which shall not add additional costs.

MOTION TO APPROVE: Mr. Weinreich **SECOND: Comm. Angelo** **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

LEGAL AFFAIRS

ITEM: Activation, Revitalization, and Transformation Program - Phase II Appeal–Asbury Park Music Foundation

REQUEST: To approve the Hearing Officer's recommendation to uphold in part and remand in part the scoring of Asbury Park Music Foundation's application to receive a grant from the Activation, Revitalization, and Transformation Program – Phase II.

MOTION TO APPROVE: Ms. Dragon **SECOND: Mr. Alagia** **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

ITEM: Activation, Revitalization, and Transformation Program - Phase II Appeal–Asbury Park Arts Council

REQUEST: To approve the Hearing Officer's recommendation to uphold the Board's declination of Asbury Park Arts Council's application to the Activation, Revitalization, and Transformation Program – Phase II.

MOTION TO APPROVE: Ms. Dragon **SECOND: Ms. Antoine-Johnson** **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

FOR INFORMATION ONLY: The next item was a summary of the Directors' Loan Review Committee meeting from October 28, 2025.

BOND PROJECT

APPLICANT: The Atlantic City Sewerage Company PROD-00321879

LOCATION: Atlantic City, Atlantic County

PROCEEDS FOR: To finance the reconstruction, rehabilitation, replacement, upgrade and expansion of various sections and components of the sanitary sewer system.

AMOUNT OF BOND: \$9,000,000 Tax-Exempt Bond

MOTION TO APPROVE: Ms. Dragon **SECOND: Ms. Antoine-Johnson** **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

FOR INFORMATION ONLY: The next item was a summary of the Real Estate Committee meeting from October 30, 2025.

REAL ESTATE

ITEM: Real Estate Project Delivery Methods

REQUEST: To approve real estate delivery methods, including: (1) Self-performing Construction Manager (CM) with or without a Guaranteed Maximum Price (GMP); and (2) Design-build with or without a GMP.

MOTION TO APPROVE: Ms. Dragon SECOND: Mr. Dumont AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

ITEM: NJ Bioscience Center - Ninth Amendment to PILOT and Other Matters

REQUEST: To approve the Ninth Amendment to the agreement concerning payment in Lieu of Taxes and Other Matters dated June 3, 1996 between the Authority and the Township of North Brunswick for the New Jersey Bioscience Center.

MOTION TO APPROVE: Ms. Dragon **SECOND:** Mr. Alagia **AYES:** 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

BOARD MEMORANDA – FYI ONLY

- Credit Underwriting, Delegated Authority Approvals, Oct. 2025
- Post-Closing Incentives Delegated Authority, Q3 2025
- Post-Closing Credit Delegated Authority, Q3 2025
- Real Estate Division Delegated Authority for Lease and Right of Entry(ROE)/Licenses for July 2025

There being no further business, on a motion by Ms. Antoine-Johnson, and seconded by Ms. Dragon, the meeting was adjourned at 11:58 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: Tim Sullivan, Chief Executive Officer

DATE: December 15, 2025

Subject: Strategic Innovation Center Investment in the NJ AIM and Nurture NJ Innovation Center

Summary:

Members of the Board are requested to approve:

- A Strategic Innovation Center (“SIC”) investment of up to \$12,550,000 million to support two strategies – the NJ Accelerator for Innovation in Medtech (“NJ AIM”) and the Nurture NJ Innovation Center (“NNIC”), including:
 - \$2,550,000 for accelerator operator expense and funding the salary for the executive director to oversee a newly formed two-member New Jersey limited liability company, NJ MedNeo LLC (“MedNeo” or “the Company”), in partnership with Rowan University (“Rowan”). MedNeo will contract with Plug and Play (“PNP”) to operate accelerator programs across two innovation hubs: Accelerator for Innovation in Medtech (“NJ AIM”), taking space in Camden at the NJ Joint Health Sciences building and the Nurture NJ Innovation Center (“NNIC”) accelerator program focused on maternal and infant health businesses, taking space at the Maternal and Infant Health Innovation Authority (“MIHIA”) when constructed (the NJ AIM and NNIC, collectively, the “Programs”). MedNeo will also be required to contract with a venture studio operator to operate a venture studio;
 - \$5,500,000 into Plug and Play New Jersey Fund I, L.P., a Delaware limited partnership, that will serve as the NJ AIM and Nurture NJ Innovation Center Accelerator Fund (“MedNeo Fund”) to invest in participant companies of the respective Programs managed by PNP; and,
 - \$1,500,000 into a venture studio and related fund managed by NLC Fund Management LLC building medtech and maternal and infant health companies;
 - \$3,000,000 reserve for an early-phase maternal and infant health pre-venture development and early-stage initiative located in Trenton to include programmatic and technical support administered by a third-party that staff will present to the Board at a later time.
 - Authorization to the CEO of the New Jersey Economic Development Authority (“Authority” or “NJEDA”) to execute all documents required to proceed with this transaction, including the Operating Agreement for MedNeo LLC attached as Appendix A; amendment to Plug and Play New Jersey Fund I, L.P.; Plug and Play New Jersey Fund I Amendment to the Subscription Agreement; and PNP New Jersey Fund GP I, LLC

Amendment to Letter Agreement as Appendix B-1 to B-3 to this memo; and definitive documents related to the venture studio fund, under negotiation, with principal terms described in Appendix C.

- The Members are also asked to approve a 4.5% administrative fee to NJEDA for administrative costs plus associated Authority legal costs allowed through the Economic Recovery Fund (“ERF”) statute.

Background:

Strategic Innovation Centers:

In July 2021, the Board of the New Jersey Economic Development Authority approved policies for utilizing the ERF, created by P.L. 1992, c. 16, to undertake development of or to invest in strategic innovation centers to accelerate economic recovery and drive the long-term growth of the State’s innovation economy. Strategic Innovation Centers are defined as facilities that either, directly support research and development (“R&D”), innovation, or entrepreneurship, or are aimed at solving specific problems in new and innovative ways through a combination of services such as mentorship, networking opportunities, hands-on training, business support services, education opportunities, and/or access to testing, fabrication, or manufacturing facilities and equipment.

The policy approval included the use of fifty-five million (\$55,000,000) appropriated to the NJEDA’s ERF for the purpose of developing Strategic Innovation Centers in accordance with the policies. The 2023, 2024 and 2025 State appropriations acts allocated an additional seventy million (\$70,000,000), seventy-five million (\$75,000,000), and fifty million (\$50,000,000) respectively. In March 2025, NJEDA, with approval from the Joint Budget Oversight Committee, reallocated seven million eight hundred fifteen thousand dollars (\$7,815,000) from the closeout of the Edison Loan Program to the Strategic Innovation Center initiative, bringing the total amount to two-hundred thirty-seven million eight hundred fifteen thousand dollars (\$237,815,000) is available for SIC investments. NJEDA’s policy anticipates capturing a 4.5% administrative fee at approval of each project, in accordance with Board approved program policy. Additionally, the ERF statute authorizes the use of ERF funding for the costs of a project, including legal expenses (including special counsel retained by the Attorney General’s Office). Inclusive of the commitments itemized below and associated administrative fee there remains available sixty-six million four hundred sixty-five thousand dollars \$66,465,000 of unallocated SIC funds before approval of the NJ AIM and NNIC.

To date, the Members have approved the following use of SIC funding:

- Investment in HAX, LLC (approved October 13, 2021): \$25,000,000
- Investment in Helix (DevCo) (approved December 8, 2021): \$10,000,000
- Allocation to Maternal and Infant Health Innovation Center (approved May 8, 2024): \$3,000,000
- Investment in NJ FAST powered by Plug and Play (approved July 17, 2024): \$17,100,000
- Investment in Atlantic County NJ Aerospace LLC (approved December 19, 2024): \$8,600,000
- Allocation to Maternal and Infant Health Innovation Center (approved February 24, 2025): \$7,000,000
- Investment in NJ AI Hub LLC (approved April 9, 2025): \$15,000,000
- Investment in NJII Venture Studio (approved April 9, 2025): \$5,800,000

- Investment in NJ Bell Labs Venture Studio (approved May 13, 2025): \$15,000,000
- Investment in NJ Nokia Innovation Center (approved May 13, 2025): \$10,000,000
- Investment in NJ Coriell Labs Innovation Center (approved July 23, 2025): \$20,000,000
- Investment in NJ HAX Plasma Forge (approved November 13, 2025): \$24,500,000

The approved policies for Strategic Innovation Center projects consider how NJEDA staff will:

1. Address opportunities for the Authority to take a lead role in developing Strategic Innovation Centers such as building and/or overseeing the operations of the Strategic Innovation Center or collaborating with another party through an early investment that serves as a catalyst for the project.
2. Consider unsolicited proposals or investment opportunities for Strategic Innovation Center projects in the State. In all cases, funding is limited to twenty-five million (\$25,000,000) for any single project with a requirement for matching private capital, and the project must align with the ERF targeted industries¹ or demonstrate that it will meaningfully support increasing diversity and inclusion within the State's entrepreneurial economy. Additionally, all Strategic Innovation Center projects using ERF funds under these policies must be approved by the Board.

Following evaluation (the steps for which are contained in Confidential Appendix F), NJEDA staff has determined the project, herein, the NJ AIM and NNIC, meets the outlined policy requirements for a SIC investment given that it directly supports R&D, innovation and entrepreneurship for start-up companies in the life science and technology industries.

Background on NJ AIM

On March 10, 2025, Rowan University submitted an SIC proposal with strategic benefits including:

1. Strengthening New Jersey's Innovation Infrastructure: The SIC will directly support the growth of medical technology startups emerging from the state's research universities, healthcare institutions, and technology hubs. By aligning investment with New Jersey's strategic innovation centers, the program ensures that critical funding reaches the most promising ventures with a direct connection to New Jersey's economic priorities.
2. Attracting and Retaining High-Growth Companies: Startups often leave New Jersey due to a lack of accessible early-stage capital. This SIC will help retain high-potential companies, ensuring that groundbreaking research and innovation will translate into economic activity and job creation for New Jersey.
3. Leveraging Private Capital: The SIC will incentivize private investors, including

¹ “Targeted industry” means any industry identified from time to time by the Authority which shall initially include 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-retail food and beverage businesses including food innovation, and other innovative industries that disrupt current technologies or business models.

venture capital firms (via syndicate fundraising), corporate partners, and family offices, to deploy capital into New Jersey based startups. This structure not only increases total available funding but also signals confidence in the region's innovation ecosystem.

4. Enhancing the Success of New Jersey's Strategic Innovation Centers: This proposed SIC will also support investments into its sister-SICs across New Jersey, driving greater collaboration among startups, researchers, and industry partners. These centers, serving as hubs of innovation, will benefit from increased commercialization activity and stronger linkages to the venture community.
5. Accelerating Economic Growth and Job Creation: A thriving startup ecosystem leads to the creation of high-quality jobs, increased state tax revenue, and broader economic development. Supporting early-stage companies through targeted funding ensures long-term sustainability and competitiveness for New Jersey's economy.

Background on Nurture NJ Innovation Center (“NNIC”)

On Maternal Health Awareness Day 2019, First Lady Tammy Murphy launched Nurture NJ, a statewide initiative committed to transforming New Jersey into the safest and most equitable state in the nation to deliver and raise a baby. In January 2021, the First Lady unveiled the Nurture NJ Maternal and Infant Health Strategic Plan - a blueprint to improve the state's maternal and infant health outcomes. The New Jersey Maternal and Infant Health Innovation Authority, NJMIHIA, builds on the successes of First Lady Tammy Murphy's Nurture NJ initiative, which seeks to make New Jersey the safest and most equitable place to have a baby and raise a child. This work includes healthcare and social service delivery, research and innovation, perinatal workforce development, as well as education and public awareness efforts. The NNIC is a multi-faceted approach to positioning New Jersey as a national leader in maternal and infant health innovation, building on New Jersey's establishment of MIHIA, the first and only state authority in the nation focused on improving outcomes and addressing disparities in maternal and infant health. The intent of NNIC is to position Trenton as a maternal health innovation hub—where technology, equity, and community meet. Together, these initiatives lay the groundwork for scalable impact not just in New Jersey, but as a national model. By leveraging startups, academic institutions, public agencies, and community voices, NNIC will accelerate solutions in maternal care equity, digital health, doula support, perinatal mental health, and public benefits access.

After review of the SIC proposal, staff's recommendation is to provide financial support in the form of an equity investment into the SIC pursuant to the SIC policy, as the project aligns with the objectives of the SIC initiative (Confidential Appendix F).

Accelerator and Fund Strategy Managed by Plug and Play

The NJ AIM and NNIC accelerators will operate independently of each other, with the goal of operating at different locations, with disparate strategies and focus on separate sectors, but benefit from the efficiency of expert management by PNP. MedNeo LLC will enter into agreements with Rowan for NJ AIM to be based out of 8,500 square feet at the NJ Joint Health Sciences building in Camden that directly supports R&D. Subject to ongoing lease negotiations and subsequent presentation by staff and Board approval, NNIC would be based in 5,000 square feet of space at the Maternal and Infant Health Innovation Center (“MIHI Center”) alongside the MIHIA administration in Trenton,. Both locations will be used for developing innovation and entrepreneurship. Rowan will also make available space at the South Jersey Technology Park in Mullica Hill for both Programs to provide

generalized accelerator mentorship. Rowan will be responsible for the rent expense the location in Camden and Mullica Hill, either by charging only nominal rent or by contributing the amount due as rent; both locations will be leased from Rowan University, as the landlord. NJ AIM and NNIC will foster the development of new, innovative medtech and maternal/infant health start-up companies in the State. Programming will include a combination of services including workshops, mentorship sessions, business development services, education opportunities, access to unique equipment and industry partners and investment opportunities, as detailed below. NJ AIM will bring access to lab space in Camden. If the NJEDA Board approves a lease or other occupancy at the MIHI Center, NNIC will host digital health companies only in Trenton, where no experimentation or physical sciences will be conducted. Prior to such approval, NNIC will operate on a hybrid basis: virtually and in the space leased from Rowan in Camden or Glassboro.

NJEDA and Rowan will each contribute up to \$300,000 to MedNeo over five (5) years to hire an executive director who will coordinate and oversee activities at both NJ AIM and NNIC. The executive director will maintain close ties with prospective and current corporate, academic and investment partners to foster prospective opportunities for engagement within NJ AIM and NNIC, among the partners and with the surrounding community.

The NJ AIM and NNIC will accelerate two cohorts or batches of start-ups per year, comprised of no less than fifteen (15) independent companies per cohort, with approximately sixty (60%) of the companies from the medtech space and approximately forty (40%) of the companies in the maternal and infant health arena. A minimum of twenty (20%) percent of each cohort will be sourced from the State of New Jersey. In addition, PNP will actively seek start-ups led by diverse founders with the goal that each cohort will include representation of at least fifteen (15%) diverse founders. Plug and Play is well placed to engage with diverse communities following from their already established Diversity, Respect, Inclusion, Visibility and Equity (D.R.I.V.E.) initiative. This platform is designed to develop, assist, and provide better access to funding for diverse founders, and educate our broader ecosystem on the importance of diversity and how it fuels innovation.

PNP is a global innovation platform operating in more than sixty (60) cities focused on bringing Fortune 1000 corporations, innovative technology start-up companies, and institutional investors together to develop innovative technologies in specific markets. PNP runs accelerator programs across twenty (20) different industries which accelerate technology implementation through the matching of large corporations with the brightest start-ups on a global scale. PNP sourced more than 750 companies in 2023 from their accelerators, and network including co-investors and over 400 corporate partners – investing in 187 companies with an average check size of \$107,000. Ninety percent (90%) of the investments were at the seed stage. PNP's objective is to provide follow-on investment in at least 30% of the companies. Across all PNP programs in 2023, they successfully exited 18 companies which include such unicorn investments – those reaching values over \$1 billion – such as Dropbox, Lending Club and PayPal. On the whole, PNP seeks to demonstrate examples of measurable return on investment in the number of startups met, number of NDA's signed, number of pilots initiated, how many pilots led to commercial deals, and how many of these commercial deals helped achieve a corporation's overarching goals.

Plug and Play Health Focus Areas



The NJEDA will commit up to \$5.5 million to invest in Plug and Play New Jersey Fund I, L.P. (the “Fund”). The Fund will invest in select participant companies that are either graduates from the NJ AIM and NNIC accelerator programs, developed out of the NLC managed venture studio, or are companies that are in the medtech and maternal/infant health industry and can demonstrate a connection with the NJ AIM and NNIC accelerator programs, managed by Plug and Play, as further detailed in Appendix B-2, the Amendment to LPA:

“...either graduates from (i) the Programs, or (ii) that are in the Medtech, or Maternal and Infant Health industries, *provided* that such companies can demonstrate a connection to at least one of the Programs—examples of such connection include, but are not limited to, mentoring the Programs’ startup companies and participating in the Programs’ events; and (B) maintain their Principal Business Operations in New Jersey.”

“Medtech” means and encompasses a wide range of technologies used in healthcare settings, including medical devices, diagnostics, digital health solutions, and telemedicine platforms. Medtech applies scientific knowledge and engineering skills to develop innovative solutions that enhance healthcare practices.

“Maternal and Infant Health” means and encompasses the well-being of women during pregnancy, childbirth, and the postpartum period, as well as the health of infants from birth to their first year of life.

“Principal Business Operations” means any of the following: (1) at least fifty percent (50%) of the business's employees not primarily engaged in retail sales reside in New Jersey; (2) at least fifty percent (50%) of the business's payroll for employees not primarily engaged in retail sales is paid to individuals living in the New Jersey; (3) at least fifty percent (50%) of the business's full-time employees not primarily engaged in retail sales are filling a position in New Jersey; (4) at least fifty percent (50%) of the business's payroll for employees not primarily engaged in retail sales is paid to full-time employees filling a position in New Jersey; or (5) the business's Headquarters is located in the New Jersey, and of all states, the largest percentage of the business's full-time employees, who are based in the

United States and are not primarily engaged in retail sales, is located in New Jersey. "Headquarters" means the single location in which the chief executive officer, chief operating officer, or other high-level officers of a business directs, controls, and coordinates the activities of the business.

Plug and Play will commit up to ten percent (10%) of aggregate commitments in the Fund, in this case a minimum of \$550,000, which is 10% of just the NJEDA commitment. NJEDA and Rowan will each put forward a maximum contribution towards the operator (PNP) expense of the NJ AIM and NNIC accelerators of \$2.25 million, in lieu of fund management fees, as described in the operating agreement (in the form attached hereto as Appendix A). The fund shall proceed with amendments predicated upon the proposed SIC closing and shall terminate immediately upon the SIC's cessation. Portfolio management and reporting requirements will survive. PNP will be responsible for specific compliance and reporting requirements in its management of the accelerator Programs, per the management services agreement, (attached hereto as Confidential Appendix E) with MedNeo, and the fund documents with NJEDA. Cooper University Health Care will contribute a \$2.25 million in-kind contribution to MedNeo LLC, over a five-year period or \$450,000 per year representing salaries of leaders who will participate in the Programs, for the use of simulation rooms, and in discounts for data sales and services to SIC companies as will be a documented condition for NJEDA to fund MedNeo.

The Rowan University Foundation ("RUF"), administered by the Division of University Advancement, supports priorities integral to the Rowan University's growth, success and continued impact. In conjunction with the academic colleges and other units across Rowan's three campuses, the Division is responsible for leading the philanthropic efforts of the University. The Rowan University Foundation Board of Directors are composed of corporate and civic leaders who endorse Rowan's commitment to academic excellence. Board members provide critical leadership by actively interpreting the University's vision, achievements and needs to their constituents, colleagues and friends and by working tirelessly to advance the institution's mission. For Example, RUF manages the Rowan Innovation Venture Fund ("RIVF"), a University-based, private-equity fund launched in 2014 with \$5 million from the Rowan University Foundation, which expanded the fund to \$25 million in 2022. The Rowan University Foundation established the RIVF to provide early-stage funding primarily to students, faculty and staff, alumni, and others in southern New Jersey and beyond who are ready to compete in the marketplace. RUF will invest at least \$5.5 million in eligible novel medical technologies and innovative medical devices as well as for investment in companies connected to New Jersey's strategic innovation centers, ensuring alignment with and investment in the State's economic development priorities as will be a documented condition to fund MedNeo LLC.

NLC Venture Studio

NLC Health Ventures, based in the Netherlands, operates with the mission to accelerate the journey of promising healthcare innovations for the benefit of patients around the world by creating an optimal environment for innovations to thrive. The MedNeo operating agreement requires MedNeo to enter into an operating agreement for a venture studio. Additionally, the NJEDA will commit up to \$1.5 million to stand-up a new vehicle, capitalized with at least \$1.5 million from NLC to invest in 5-10 NJ ventures that will be built as a service to MedNeo in the next 5 years leveraging the strengths of the Cooper healthcare system and Rowan University – including but not limited to intellectual property, the support and convening power of the NJEDA, and the proven venture-building capabilities of NLC as the leading global venture builder in healthtech. NLC is an approved

Qualified Venture Fund on the NJEDA’s NJ Innovation Evergreen platform, which creates an attractive opportunity to expand the existing relationship with a proven investment manager.

NLC Health Ventures is the most active health investor in Europe.² The group stands out among reviewed comparators for their long-tenured 45-person team, volume of venture building activity, global reach, and performance. Annually, the group reviews more than 1,500 patents leading to more than 400 transactions closed since 2015. NJEDA will invest in a side-car structure to their currently raising \$100M Fund V, on the same terms as other limited partners, as captured in the summary of principal terms in Appendix C attached hereto. The side car will seek to gather additional commitments from aligned partners to invest into NJ-based assets built by NLC, in close collaboration with Cooper Health and Rowan University. The SIC platform will also serve as a tool to attract already building European NLC portfolio companies to set up their US office in New Jersey.

Early-phase Company Development Platform

Aligning with the objectives of the Nurture NJ Strategic Plan, NNIC will be positioned to provide additional foundational training for entrepreneurial support in healthcare, in particular the field of infant and maternal health. Staff requests reserving \$3,000,000 for an early-phase maternal and infant health pre-venture company development initiative, with the goal of being located in Trenton at the NNIC subject to the EDA Board approval of a lease or right to use at the MIHI Center, to include programmatic and technical support to entities completing the NNIC accelerator program or otherwise related to NNIC. EDA staff will present a request to the Board for the selection of the party and the terms at a date closer to the opening of the physical NNIC space in Trenton. Programmatic and Technical support will provide valuable insights, connections and hands-on training to entrepreneurs at the earliest stages of development, as early as new company formation.

Recommendation:

Members of the Board are requested to approve:

- A Strategic Innovation Center (“SIC”) investment of up to \$12,550,000 million to support two strategies – the NJ Accelerator for Innovation in Medtech (“NJ AIM”) and the Nurture NJ Innovation Center (“NNIC”), including:
 - \$2,550,000 for accelerator operator expense and funding the salary for the executive director to oversee a newly formed two-member New Jersey limited liability company, NJ MedNeo LLC (“MedNeo” or “the Company”), in partnership with Rowan University (“Rowan”). MedNeo will contract with Plug and Play (“PNP”) to operate accelerator programs across two innovation hubs: Accelerator for Innovation in Medtech (“NJ AIM”), taking space in Camden at the NJ Joint Health Sciences building and the Nurture NJ Innovation Center (“NNIC”) accelerator program focused on maternal and infant health businesses, taking space at the Maternal and Infant Health Innovation Authority (“MIHIA”) when constructed (the NJ AIM and NNIC, collectively, the “Programs”). MedNeo will also be required to contract with a venture studio operator to operate a venture studio;
 - \$5,500,000 into Plug and Play New Jersey Fund I, L.P., a Delaware limited partnership, that will serve as the NJ AIM and Nurture NJ

² <https://sifted.eu/articles/most-active-early-stage-healthtech-investors>

Innovation Center Accelerator Fund (“MedNeo Fund”) to invest in participant companies of the respective Programs managed by PNP; and,

- \$1,500,000 into a venture studio and related fund managed by NLC Fund Management LLC building medtech and maternal and infant health companies;
- \$3,000,000 reserve for an early-phase maternal and infant health pre-venture development and early-stage initiative located in Trenton to include programmatic and technical support administered by a third-party that staff will present to the Board at a later time.
- Authorization to the CEO of the New Jersey Economic Development Authority (“Authority” or “NJEDA”) to execute all documents required to proceed with this transaction, including the Operating Agreement for MedNeo LLC attached as Appendix A; amendment to Plug and Play New Jersey Fund I, L.P.; Plug and Play New Jersey Fund I Amendment to the Subscription Agreement; and PNP New Jersey Fund GP I, LLC Amendment to Letter Agreement as Appendix B-1 to B-3 to this memo; and definitive documents related to the venture studio fund, under negotiation, with principal terms described in Appendix C.

- The Members are also asked to approve a 4.5% administrative fee to NJEDA for administrative costs plus associated Authority legal costs allowed through the Economic Recovery Fund (“ERF”) statute.



Tim Sullivan, CEO

Prepared by:

Ram Akella – EVP, Innovation Impact

Tim Rollender – Director, Strategic Innovation Initiatives

John Wisniewski – MD, Strategic Initiatives & Venture

Attachments:

Appendix A – MedNeo LLC Operating Agreement

Appendix B –

1. Plug and Play New Jersey Fund I, L.P. - Capital Commitment Increase Letter
2. Plug And Play New Jersey Fund I, L.P. Amendment To Amended And Restated Limited Partnership Agreement
3. PNP New Jersey Fund GP I, LLC Amendment To Letter Agreement

Appendix C – NLC Venture Studio Summary of Principal Terms

Appendix D – **CONFIDENTIAL** Founding Membership Agreement PNP MedNeo LLC

Appendix E – **CONFIDENTIAL** Strategic Innovation Center Documentation, Eligibility and Evaluation Checklist

NJ MEDNEO LLC
LIMITED LIABILITY COMPANY AGREEMENT
Between
ROWAN UNIVERSITY
and
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

dated as of

November , 2025

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[TOC to be updated upon finalizaiton of the Agreement]

LIMITED LIABILITY COMPANY AGREEMENT

This Limited Liability Company Agreement of NJ MEDNEO LLC, a New Jersey limited liability company (the “**Company**”), is entered into as of _____, 2025, by and among the Company, the Initial Members executing this Agreement as of the date hereof and each other Person who after the date hereof becomes a Member of the Company and becomes a party to this Agreement by executing a Joinder Agreement.

RECITALS

WHEREAS, the Company was formed under the laws of the State of New Jersey by the filing of a Certificate of Formation with the Department of the Treasury, Division of Revenue and Enterprise Services of the State of New Jersey on _____, 2025 (the “**Certificate of Formation**”); and

WHEREAS, the Members desire to accomplish significant developments in the fields of Med Tech and MIH (both as hereafter defined) and strengthen the regional innovation ecosystem reflecting the strategic priorities of the State of New Jersey (the “**State**”) by partnering together on the terms set forth herein to develop a strategic innovation center comprised of (1) an accelerator division consisting of (a) a unit to be named “The New Jersey MedTech Accelerator” (the “**MedTech Accelerator**”) which shall be located at sites in both Glassboro, New Jersey and at the Joint Health Science Center in Camden, New Jersey; and (b) a unit to be named “The Maternal & Infant Health Accelerator which shall be located in Trenton, New Jersey (“**MIH Accelerator**” and, together with the MedTech Accelerator, the “**Accelerator SIC**”); and (2) a studio division (“**Studio SIC**” and, together with the Accelerator SIC, collectively, the “**SIC**”); and

WHEREAS, the Economic Recovery Fund Act (“**ERF**”), L. 1992, c. 16 as most recently amended by the New Jersey Economic Recovery Act of 2020 (“**ERA**”) authorizes the New Jersey Economic Development Authority (the “**NJEDA**”) to provide grants, financing or equity to innovation centers, research centers, incubators and accelerators, and other similar innovation-oriented entities focused on targeted industries such as life sciences and NJEDA desires to into this Agreement to provide funds for the investment in the SIC in accordance with the ERF and ERA; and

WHEREAS, the Members wish to enter into this Agreement setting forth the terms and conditions governing the operation and management of the Company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. **DEFINITIONS**

Section 1.01 Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in this Section 1.01:

“**Accelerator SIC**” has the meaning set forth in the Recitals.

“**Accelerator SIC Operations Agreement**” has the meaning set forth in Section 12.01(a)(i).

“**Accelerator SIC Operator**” has the meaning set forth in Section 12.01(a)(i).

“**Act**” means the New Jersey Revised Uniform Limited Liability Company Act (N.J.S.A. 42:2C-1 et seq.).

“**Adjusted Capital Account Deficit**” means, with respect to any Member, (a) the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments: crediting to such Capital Account any amount that such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulations Sections 1.704-1(b)(2)(ii)(c), 1.704-2(g)(1) and 1.704-2(i); and (b) debiting to such Capital Account the items described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

“**Adjusted Taxable Income**” of a Member for a Fiscal Year (or portion thereof) with respect to the Membership Interest held by such Member means the federal taxable income allocated by the Company to the Member with respect to its Membership Interest (as adjusted by any final determination in connection with any tax audit or other proceeding) for such Fiscal Year (or portion thereof); *provided*, that such taxable income shall be computed (a) minus any excess taxable loss or excess taxable credits of the Company for any prior period allocable to such Member with respect to its Membership Interest that were not previously taken into account for purposes of determining such Member’s Adjusted Taxable Income in a prior Fiscal Year to the extent such loss or credit would be available under the Code to offset income of the Member (or, as appropriate, the direct or indirect owners of the Member) determined as if the income, loss, and credits from the Company were the only income, loss, and credits of the Member (or, as appropriate, the direct or indirect members of the Member) in such Fiscal Year and all prior Fiscal Years, and (b) taking into account any special basis adjustment.

“**Advisory Board**” has the meaning set forth in Section 7.11(a) herein.

“**Affiliate**” means, with respect to any Person, any other Person directly or indirectly that controls, is controlled by, or is under common control with such Person at any time during the period for which the determination of affiliation is being made. The term “**control**” (including, with correlative meaning, the terms “controlling”, “controlled by” and “under common control with”) as used with respect to any Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding the foregoing, no Member nor any of its subsidiaries other than a Company Party shall be considered an Affiliate of (a) any Company Party or (b) another Member or any of its subsidiaries, and *vice versa*.

“**Agreement**” means this Limited Liability Company Agreement, as may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms hereof.

“Applicable Law” means all applicable (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations, orders or other binding directives, as amended and as of the date hereof, issued, promulgated or enforced by any Governmental Authority; (b) any consents or approvals of any Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

“BBA” means the Bipartisan Budget Act of 2015, Pub. L.114-74.

“Book Depreciation” means, with respect to any Company asset for each Fiscal Year, the Company’s depreciation, amortization, or other cost recovery deductions determined for federal income tax purposes, except that if the Book Value of an asset differs from its adjusted tax basis at the beginning of such Fiscal Year, Book Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year bears to such beginning adjusted tax basis; *provided*, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Fiscal Year is zero and the Book Value of the asset is positive, Book Depreciation shall be determined with reference to such beginning Book Value using any permitted method selected by the Managers in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g)(3).

“Book Value” means, with respect to any Company asset, the adjusted basis of such asset for federal income tax purposes, except as follows:

- (a) the initial Book Value of any Company asset contributed by a Member to the Company shall be the gross Fair Market Value of such Company asset as of the date of such contribution;
- (b) immediately prior to the distribution by the Company of any Company asset to a Member, the Book Value of such asset shall be adjusted to its gross Fair Market Value as of the date of such distribution;
- (c) the Book Value of all Company assets may, in the sole discretion of the Managers, be adjusted to equal their respective gross Fair Market Values, as determined by the Managers, as of the following times:
- (d) the acquisition of an additional Membership Interest in the Company by a new or existing Member in consideration for more than a de minimis Capital Contribution;
- (e) the distribution by the Company to a Member of more than a de minimis amount of property (other than cash) as consideration for all or a part of such Member’s Membership Interest; and
- (f) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g);
- (g) the Book Value of each Company asset shall be increased or decreased, as the case may be, to reflect any adjustments to the adjusted tax basis of such Company asset pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments

are taken into account in determining Capital Account balances pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m); provided, that Book Values shall not be adjusted pursuant to this paragraph (g) to the extent that an adjustment pursuant to paragraph (c) above is made in conjunction with a transaction that would otherwise result in an adjustment pursuant to this paragraph (g); and

- (h) if the Book Value of a Company's asset has been determined pursuant to paragraph (a) or adjusted pursuant to paragraphs (c) or (g) above, such Book Value shall thereafter be adjusted to reflect the Book Depreciation taken into account with respect to such Company asset for purposes of computing Net Income and Net Losses.

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in the City of New York are authorized or required to close.

"Capital Account" has the meaning set forth in Section 3.04.

"Capital Commitment" means the total amount of capital that each Member agrees to contribute to the Company over a specified period, as set forth in the Members Schedule.

"Capital Contribution" means, for any Member, the total amount of cash and cash equivalents and the Book Value of any property contributed to the Company by such Member.

"Cause Event" has the meaning set forth in Section 4.08(b).

"Certificate of Formation" has the meaning set forth in the Recitals.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" has the meaning set forth in the Preamble.

"Company Minimum Gain" means "partnership minimum gain" as defined in Treasury Regulations Section 1.704-2(b)(2), substituting the term "Company" for the term "partnership" as the context requires.

"Company Party" means the Company or any of its Affiliates.

"Confidential Information" has the meaning set forth in Section 14.03(a).

"Corporate Affiliate" means any future anchor corporate partner(s) of the SIC, which shall make contributions to the SIC.

"Covered Person" has the meaning set forth in Section 10.01(a).

"Default Declaration" has the meaning set forth in Section 3.10(b).

"Defaulting Member" has the meaning set forth in Section 3.10(b).

"Default Notice" has the meaning set forth in Section 3.10(a).

“Electronic Transmission” means any form of communication not directly involving the physical transmission of paper, including the use of, or participation in, one or more electronic networks or databases (including one or more distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

“Eligible Company” means a company that (a) is either: (i) a graduate from the Accelerator SIC; or (ii) is in the MedTech and MIH Industries, provided that it can demonstrate a connection to the SIC (e.g. mentoring SIC startup companies and participating in the SIC, and (b) maintains their Principal Business Operations in New Jersey.

“ERA” has the meaning set forth in the Recitals.

“ERF” has the meaning set forth in the Recitals.

“Estimated Tax Amount” of a Member for a Fiscal Year means the Member’s Tax Amount for such Fiscal Year as estimated in good faith from time to time by the Managers. In making such estimate, the Managers shall take into account amounts shown on Internal Revenue Service Form 1065 filed by the Company and similar state or local forms filed by the Company for the preceding taxable year and such other adjustments as the Managers reasonably determine are necessary or appropriate to reflect the estimated operations of the Company for the Fiscal Year.

“Excess Amount” has the meaning set forth in Section 6.02(c).

“Executive Director” has the meaning set forth in Section 7.07.

“Fair Market Value” of any asset as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for such asset in an arm’s length transaction, as determined in good faith by the Managers based on such factors as the Managers, in the exercise of their reasonable business judgment, consider relevant.

“Family Member” has the meaning set forth in Section 9.02(c).

“Fiscal Year” means the calendar year, unless the Company is required to have a taxable year other than the calendar year, in which case Fiscal Year shall be the period that conforms to its taxable year.

“Form of Lease Agreement” has the meaning set forth in Section 12.03(a).

“GAAP” means United States Generally Accepted Accounting Principles in effect from time to time.

“Governmental Authority” means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.

"Headquarters" means the single location in which the chief executive officer, chief operating officer, or other high-level officers of a business directs, controls, and coordinates the activities of the business.

"Independent Manager" has the meaning set forth in Section 7.02(a).

"Initial Member" has the meaning set forth in the term Member.

"Initial Operations Period" means the five (5) year term of operation of the SIC.

"IP" means all (a) patents, patent applications, patent disclosures and inventions; (b) trademarks, service marks, trade dress, trade names, logos and corporate names and registrations and applications for registration thereof together with all of the goodwill associated therewith; (c) copyrights (registered or unregistered) and copyrightable works and registrations and applications for registration thereof; (d) mask works and registrations and applications for registration thereof; (e) computer software, including source and object code; (f) electronic and non-electronic data, data bases and documentation thereof; (g) trade secrets and other confidential information (including, without limitation, ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, copyrightable works, financial and marketing plans and customer and supplier lists and information); (h) other intellectual property rights; and (i) copies and tangible embodiments thereof (in whatever form or medium).

"Joinder Agreement" means the joinder agreement in substantially the form and substance attached hereto as **Exhibit A**.

"Lien" means any mortgage, pledge, security interest, option, right of first offer, encumbrance or other restriction or limitation of any nature whatsoever.

"Liquidator" has the meaning set forth in Section 13.03(a).

"Managers" means (a) each Person identified as of the date hereof as a Manager in Section 7.02 and (b) each Person who is hereafter elected as a Manager in accordance with Section 7.02. Managers need not be Members of the Company or residents of the State.

"Managers Schedule" has the meaning set forth in Section 7.02(c).

"Maternal and Infant Health" means and encompasses the well-being of women during pregnancy, childbirth, and the postpartum period, as well as the health of infants from birth to their first year of life."

"Marital Relationship" means a civil union, domestic partnership, marriage, or any other similar relationship that is legally recognized in any jurisdiction.

"MedTech" means the technologies used in health care settings, including medical devices, diagnostics, digital health solutions and telemedicine platforms, involving the application

of scientific knowledge and engineering skills to develop innovative solutions that enhance health care services.

“**MedTech Accelerator**” has the meaning set forth in the Recitals.

“**Member**” means (a) each Person identified on the Members Schedule as of the date hereof as a Member who has executed this Agreement or a counterpart thereof (each, an “**Initial Member**”); and (b) each Person who is hereafter admitted thereafter as a Member in accordance with the terms of this Agreement and the Act, in each case so long as such Person (i) has executed and delivered to the Company a written undertaking substantially in the form of the Joinder Agreement and (ii) is shown on the Company’s books and records as the owner of Membership Interests. The Members shall constitute “members” (as that term is defined in the Act) of the Company.

“**Member Managers**” has the meaning set forth in Section 7.02(a).

“**Member Nonrecourse Debt**” means “partner nonrecourse debt” as defined in Treasury Regulations Section 1.704-2(b)(4), substituting the term “Company” for the term “partnership” and the term “Member” for the term “partner” as the context requires.

“**Member Nonrecourse Debt Minimum Gain**” means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if the Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulations Section 1.704-2(i)(3).

“**Member Nonrecourse Deduction**” means “partner nonrecourse deduction” as defined in Treasury Regulations Section 1.704-2(i), substituting the term “Member” for the term “partner” as the context requires.

“**Members Schedule**” has the meaning set forth in Section 3.01.

“**Membership Interest**” means an interest in the Company owned by a Member, including such Member’s right (a) to its distributive share of Net Income, Net Losses and other items of income, gain, loss and deduction of the Company; (b) to its distributive share of the assets of the Company; (c) to vote on, consent to or otherwise participate in any decision of the Members as provided in this Agreement; and (d) to any and all other benefits to which such Member may be entitled as provided in this Agreement or the Act. The Membership Interest of each Member shall be expressed as percentage interest and shall be as set forth on the Members Schedule.

“**MIH**” means maternal and infant health encompassing the well-being of women during pregnancy, childbirth, and the postpartum period, as well as the health of infants from birth through their first year of life.

“**MIH Accelerator**” has the meaning set forth in the Recitals.

“**Net Income**” and “**Net Loss**” mean, for each Fiscal Year or other period specified in this Agreement, an amount equal to the Company’s taxable income or taxable loss, or particular items thereof, determined in accordance with Code Section 703(a) (where, for this purpose, all items of

income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or taxable loss), but with the following adjustments:

- (a) any income realized by the Company that is exempt from federal income taxation, as described in Code Section 705(a)(1)(B), shall be added to such taxable income or taxable loss, notwithstanding that such income is not includable in gross income;
- (b) any expenditures of the Company described in Code Section 705(a)(2)(B), including any items treated under Treasury Regulations Section 1.704-1(b)(2)(iv)(I) as items described in Code Section 705(a)(2)(B), shall be subtracted from such taxable income or taxable loss, notwithstanding that such expenditures are not deductible for federal income tax purposes;
- (c) any gain or loss resulting from any disposition of Company property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Book Value of the property so disposed, notwithstanding that the adjusted tax basis of such property differs from its Book Value;
- (d) any items of depreciation, amortization and other cost recovery deductions with respect to Company property having a Book Value that differs from its adjusted tax basis shall be computed by reference to the property's Book Value (as adjusted for Book Depreciation) in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g);
- (e) if the Book Value of any Company property is adjusted as provided in the definition of Book Value, then the amount of such adjustment shall be treated as an item of gain or loss and included in the computation of such taxable income or taxable loss; and
- (f) to the extent an adjustment to the adjusted tax basis of any Company property pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the 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).

“**NJEDA**” has the meaning set forth in the Recitals.

“**NJEDA Operations Investment**” has the meaning set forth in Section 1.02(b).

“**Nonrecourse Deductions**” has the meaning set forth in Treasury Regulations Section 1.704-2(b).

“**Nonrecourse Liability**” has the meaning set forth in Treasury Regulations Section 1.704-2(b)(3).

“**Officers**” has the meaning set forth in Section 7.07.

“OPEX Budget” has the meaning set forth in Section 7.06(b).

“Participant Company” means a company that is member of an NJEDA Accelerator SIC cohort, as more particularly defined in the NJEDA Accelerator Operations Agreement, dated [REDACTED], by and between [REDACTED].

“Permitted Transfer” means a Transfer of Membership Interests carried out pursuant to Section 9.02.

“Permitted Transferee” means a recipient of a Permitted Transfer.

“Person” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

“Post-SIC Reporting Period” means the three (3) year period immediately following the end of the Initial Operations Period during which the Company shall focus on measuring and reporting the continuing impacts of the SIC’s activities in accordance with Section 11.01(c).

“Principal Business Operations” means any of the following:

- (a) at least fifty percent (50%) of the applicable business’s employees that are not primarily engaged in retail sales reside in New Jersey;
- (b) at least fifty percent (50%) of the applicable business’s payroll for employees that are not primarily engaged in retail sales is paid to individuals living in the New Jersey;
- (c) at least fifty percent (50%) of the applicable business’s full-time employees that are not primarily engaged in retail sales are filling a position in New Jersey;
- (d) at least fifty percent (50%) of the applicable business’s payroll for employees that are not primarily engaged in retail sales is paid to full-time employees filling a position in New Jersey; or
- (e) the applicable business’s headquarters (i.e., the single location in which the chief executive officer, or other high level officers of a business directs, controls, and coordinates the activities of such business), is located in the New Jersey, and of all states, the largest percentage of the business’s full-time employees, who are based in the United States and that are not primarily engaged in retail sales, is located in New Jersey.

“Prohibited Activities” means the conduct or purveyance of “adult” (i.e., pornographic, lewd, prurient, obscene or otherwise similarly disreputable) activities, services, products or materials (including nude or semi-nude performances or the sale of sexual aids or devices); any auction or bankruptcy or fire or “lost-our-lease” or “going-out-of-business” or similar sale; sales by transient merchants; or any activity constituting a nuisance.

“Quarterly Estimated Tax Amount” of a Member for any calendar quarter of a Fiscal Year means the excess, if any of (a) the product of (i) a quarter (1/4) in the case of the first calendar quarter of the Fiscal Year, half (1/2) in the case of the second calendar quarter of the Fiscal Year, three-quarters (3/4) in the case of the third calendar quarter of the Fiscal Year, and one (1) in the case of the fourth calendar quarter of the Fiscal Year and (ii) the Member’s Estimated Tax Amount for such Fiscal Year over (b) all distributions previously made during such Fiscal Year to such Member.

“Regulatory Allocations” has the meaning set forth in Section 5.02(e).

“Related Party Agreement” means any agreement, arrangement or understanding between the Company and any Member or any Affiliate of a Member or any Officer or employee of the Company, as such agreement may be amended, modified, supplemented or restated in accordance with the terms of this Agreement.

“Representative” means, with respect to any Person, any and all directors, trustees, officers, employees, contractors, consultants, financial advisors, counsel, accountants and other agents of such Person.

“Revised Partnership Audit Rules” has the meaning set forth in Section 11.04(c).

“Rowan” means Rowan University, a research university in the State of New Jersey.

“Securities Act” means the Securities Act of 1933.

“Shortfall Amount” has the meaning set forth in Section 6.02(b).

“SIC” has the meaning set forth in the Recitals.

“SIC Term” has the meaning set forth in Section 2.06.

“Side-Car Fund” means the fund in which NJEDA shall invest monies, which shall be managed by the Side-Car Investment Manager, which monies shall be invested in Eligible Companies pursuant to the Side-Car Fund Investment Management Agreement.

“Side-Car Fund Investment Management Agreement” means the agreement between the NJEDA and the Side-Car Investment Manager, pursuant to which the monies in the Side-Car Fund shall be invested.

“Side-Car Investment Manager” means the investment manager engaged by the NJEDA to manage the Side-Car Fund.

“Spouse” means a spouse, a party to a civil union, a domestic partner, a same-sex spouse or partner, or any individual in a Marital Relationship with a Member.

“State” has the meaning set forth in the Recitals.

“Studio Company” means a company formed to commercialize IP from Rowan, other universities and industry as further defined in the Studio SIC Operations Agreement.

“Studio Fund” means the fund into which NJEDA shall invest monies in support of operational efforts of the Studio Company.

“Studio SIC” has the meaning set forth in the Recitals.

“Studio SIC Operations Agreement” has the meaning set forth in Section 12.01(a)(ii).

“Studio SIC Operator” has the meaning set forth in Section 12.01(a)(ii).

“Subject Agreements” has the meaning set forth in Section 14.17.

“Subsidiary” means, with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

“Tax Advance” has the meaning set forth in Section 6.01(a).

“Tax Amount” of a Member for a Fiscal Year means the product of (a) the Tax Rate for such Fiscal Year and (b) the Adjusted Taxable Income of the Member for such Fiscal Year with respect to its Membership Interest.

“Tax Matters Representative” has the meaning set forth in Section 11.04(a).

“Tax Rate” of a Member, for any period, means the highest marginal combined federal, state and local tax rate applicable to a corporation doing business in New Jersey, taking into account (a) the character (for example, long-term or short-term capital gain, ordinary or exempt) of the applicable income and (b) if applicable, the deduction under IRC Section 199A.

“Taxing Authority” has the meaning set forth in Section 6.03(b).

“Third Party Investment Manager”, means a limited liability company or limited partnership, which shall make certain investments into Eligible Companies and Studio Companies.

“Transfer” means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Membership Interests owned by a Person or any interest (including a beneficial interest) in any Membership Interests owned by a Person. **“Transfer”** when used as a noun shall have a correlative meaning. **“Transferor”** and **“Transferee”** mean a Person who makes or receives a Transfer, respectively.

“Treasury Regulations” means the final or temporary regulations issued by the United States Department of Treasury pursuant to its authority under the Code, and any successor regulations.

“**Withholding Advances**” has the meaning set forth in Section 6.03(b).

Section 1.02 Interpretation. For purposes of this Agreement: (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and gender-neutral forms. Unless the context otherwise requires, references herein: (i) to Articles, Sections, and Exhibits mean the Articles and Sections of, and Exhibits attached to, this Agreement; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented or modified from time to time to the extent permitted by the provisions thereof; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Exhibits and Schedules referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Article II. **ORGANIZATION**

Section 2.01 Formation.

- (a) The Company was formed on November **[]**, 2025, pursuant to the provisions of the Act, upon the filing of the Certificate of Formation with the Division of Revenue and Enterprise Services in the New Jersey Department of the Treasury.
- (b) This Agreement shall constitute the “limited liability company agreement” (as that term is used in the Act) of the Company. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control. **[NAME]** is the incorporator and the incorporation of the Company by **[NAME]** is hereby ratified.

Section 2.02 Name. The name of the Company is “NJ MEDNEO LLC” or such other name or names as may be designated by the Managers; provided, that the name shall always contain the words “Limited Liability Company” or the abbreviation “L.L.C.” or the designation “LLC.” The Managers shall give prompt notice to each of the Members of any change to the name of the Company.

Section 2.03 Principal Office. The principal office of the Company is located at **[]**, New Jersey, or such other place as may from time to time be determined by the Managers. The Managers shall give prompt notice of any such change to each of the Members.

Section 2.04 Registered Office; Registered Agent.

- (a) The registered office of the Company shall be the office of the initial registered agent named in the Certificate of Formation or such other office (which need not be a place of business of the Company) as the Managers may designate from time to time in the manner provided by the Act and Applicable Law.
- (b) The registered agent for service of process on the Company in the State shall be the initial registered agent named in the Certificate of Formation or such other Person or Persons as the Managers may designate from time to time in the manner provided by the Act and Applicable Law.

Section 2.05 Purpose; Powers.

- (a) The purposes of the Company are to engage in any lawful act or activity for which limited liability companies may be formed under the Act and to engage in any and all activities necessary or incidental thereto, including but not limited to, completing the mission as stated on the mission statement on **Schedule A**; provided, that, notwithstanding the above, the Company shall not engage in Prohibited Activities.
- (b) The Company shall have all the powers necessary or convenient to carry out the purposes for which it is formed, including the powers granted by the Act.

Section 2.06 Term. The term of the Company commenced on the date the Certificate of Formation was filed with the Division of Revenue and Enterprise Services in the Department of the Treasury and shall continue in existence until the earlier of: (a) eight (8) years after the date the Certificate of Formation was filed, unless extended through a written approval signed by all of the Managers extending the term for an additional defined period; or (b) dissolution of the Company in accordance with the provisions of this Agreement. The term of the SIC shall commence on a date determined by the Managers and shall operate until the earlier of: (i) five (5) years from the date its operations commence as determined by the Managers (unless a written approval is signed by all of the Member Managers extending the term for an additional defined period); or (ii) dissolution of the Company in accordance with the provisions of this Agreement (the “SIC Term”).

Section 2.07 Timing of Capital Contributions. The Members shall make Capital Contributions exclusively utilized for activities related to SIC until the expiration of the SIC Term. Upon the conclusion of the SIC Term, any remaining Capital Contributions shall be allocated solely towards activities associated with the Post-SIC Reporting Period as described in Section 11.01(c).

Article III.

CAPITAL CONTRIBUTIONS; CAPITAL COMMITMENTS; CAPITAL ACCOUNTS

SECTION 3.01 Initial Capital Contributions. Contemporaneously with the execution of this Agreement, each Member has made an initial Capital Contribution, has agreed to the Capital Commitment, and is deemed to own Membership Interests, in each case in the amounts set forth

opposite, or next to, such Member's name and address on **Schedule B** attached hereto (the "**Members Schedule**"). The Members Schedule shall provide a non-exhaustive list of other roles or responsibilities of specific Members (inclusive of the services provided for through in-kind Capital Contributions). Members with Capital Contributions that include in-kind contributions shall contribute such in-kind contributions in the amounts, and within thirty (30) days of the dates, as shown on the Members Schedule; *provided*, that (a) there shall be no pre-payment penalty if any portion is paid in advance of the dates shown on the Members Schedule such that amounts pre-paid prior to a due date can be attributable to a later period's payment, (b) notwithstanding anything to the contrary in Section 3.09, assuming the total amount and value of such Member's Capital Contribution remains the same as listed on the Members Schedule and such Member makes such Capital Contributions by the final payment date listed on the Members Schedule, there shall be no late payment penalty and Section 3.09 shall not be triggered if a Member's Capital Contributions are not contributed to the Company on the specific dates, and in the amounts, as listed on the Members Schedule, and (c) after such payment due date, the Company's and other Member's rights to such assets from such contributing Member as part of such Member's Capital Contribution shall continue throughout the term of this Agreement, and for any assets contributed in-kind, until the Managers determine that the Company and other Members have received value from such assets that equates to the amount allocated to such Member's Capital Contribution as shown on the Members Schedule. For the avoidance of doubt, the value of any in-kind distributions shall be determined by the Managers (and not specific Members) upon (i) receipt of the in-kind distribution, and (ii) annually thereafter; provided, that Members shall produce any documentation upon a reasonable request from the Managers to assist the Managers in verifying the value of such in-kind contributions including, but not limited to, pay stubs, fund transfers, invoices. The Managers shall maintain and update the Members Schedule upon the issuance or Transfer of any Membership Interests to any new or existing Member in accordance with this Agreement.

SECTION 3.02 Additional Capital Commitments by the Members. No Member shall be required to make any additional Capital Contributions to the Company beyond their Capital Commitment. Any future or additional Capital Commitments made by any Member shall only be made with the consent of a majority of the Managers. To the extent that a Member makes an additional Capital Commitment to the Company, the Managers shall revise the Members Schedule to reflect an increase in the Membership Interest of the contributing Member that fairly and equitably reflects the value of its additional Capital Commitment in relation to the aggregate amount of all Capital Commitment made by the Members.

SECTION 3.03 Capital Commitments by Other Parties.

NJEDA will not be required to make any of its Capital Contributions to the Company unless and until (a) the Company enters into agreements with a one or more Third Party Investment Manager(s), pursuant to which the Third Party Investment Manager(s) shall co-invest five million five hundred thousand dollars (\$5,500,000) into the Studio Companies and/or the Eligible Companies and, (b) NJEDA reviews and approves any such agreement between the Company and any Third Party Investment Manager.

Section 3.04 Maintenance of Capital Accounts. The Company shall establish and maintain for each Member a separate capital account (a "**Capital Account**") on its books and records in

accordance with this Section 3.04. Each Capital Account shall be established and maintained in accordance with the following provisions:

- (a) Each Member's Capital Account shall be increased by the amount of:
 - (i) such Member's Capital Contributions, including such Member's initial Capital Contribution and any additional Capital Contributions;
 - (ii) any Net Income or other item of income or gain allocated to such Member pursuant to ARTICLE V; and
 - (iii) any liabilities of the Company that are assumed by such Member or secured by any property distributed to such Member.
- (b) Each Member's Capital Account shall be decreased by:
 - (i) the cash amount or Book Value of any property distributed to such Member pursuant to ARTICLE VI and;
 - (ii) the amount of any Net Loss or other item of loss or deduction allocated to such Member pursuant to ARTICLE V; and
 - (iii) the amount of any liabilities of such Member assumed by the Company or that are secured by any property contributed by such Member to the Company.

Section 3.05 Succession Upon Transfer. In the event that any Membership Interests are Transferred in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the Transferred Membership Interests and, subject to Section 5.04, shall receive allocations and distributions pursuant to ARTICLE V, ARTICLE VI and ARTICLE XIII in respect of such Membership Interests.

Section 3.06 Negative Capital Accounts. In the event that any Member shall have a deficit balance in its Capital Account, such Member shall have no obligation, during the term of the Company or upon dissolution or liquidation of the Company, to restore such negative balance or make any Capital Contributions to the Company by reason thereof, except as may be required by Applicable Law or in respect of any negative balance resulting from a withdrawal of capital or dissolution in contravention of this Agreement.

Section 3.07 No Withdrawals from Capital Accounts. No Member shall be entitled to withdraw any part of its Capital Account or to receive any distribution from the Company, except as otherwise provided in this Agreement. No Member shall receive any interest, salary, management or service fees or drawing with respect to its Capital Contributions or its Capital Account, except as otherwise provided in this Agreement. The Capital Accounts are maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any distributions to any Members, in liquidation or otherwise.

Section 3.08 Loans From Members. The Company shall not make any loans to any Member without the express written consent of all of the Member Managers. Any loan by any Member to the Company shall be evidenced by a promissory note and shall bear interest at the rate and on such other terms as determined by the Managers, provided that the rate shall not be less than the applicable federal rate and shall not exceed the maximum rate of interest permitted under Applicable Law. Loans by any Member to the Company shall not be considered Capital Contributions and shall not affect the maintenance of such Member's Capital Account, other than to the extent provided in Section 3.04(a)(ii), if applicable.

Section 3.09 Modifications. The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Treasury Regulations. If the Managers determine that it is prudent to modify the manner in which the Capital Accounts, or any increases or decreases to the Capital Accounts, are computed in order to comply with such Treasury Regulations, the Managers may authorize such modifications without the consent any Member.

Section 3.10 Default.

- (a) If a Member fails to make a required Capital Contribution when due in accordance with the Members Schedule and Section 3.01, the Company shall provide written notice to the defaulting Member (the "**Default Notice**"). The Default Notice shall specify the amount of the shortfall and state that the failure to pay may be deemed a default if not cured within thirty (30) days following the date of the Default Notice.
- (b) If the defaulting Member does not cure the shortfall within thirty (30) days following the date of the Default Notice, the Managers may, at their discretion, declare the Member to be in default (a "**Defaulting Member**"). The Managers shall provide written notice to the Defaulting Member and the other Members of such declaration (the "**Default Declaration**").
- (c) Upon the Default Declaration, the Defaulting Member shall have an additional ninety (90) days to cure the default by making the required Capital Contribution in full. The Managers may, at their discretion, extend this cure period if they determine that such an extension is in the best interest of the Company.
- (d) During the cure period set forth in Section 3.10(c) above, the other Members shall have the option, but not the obligation, to cover the Defaulting Member's shortfall by making additional Capital Contributions in proportion to their respective Membership Interests or as otherwise agreed among the Members. Any Member who elects to cover the shortfall shall notify the Managers in writing of their intention to do so.
- (e) If the Defaulting Member fails to cure the default within the cure period, the Managers may, at their discretion, (i) reduce the value of the Defaulting Member's Capital Account by up to one hundred percent (100%) prior to the sale of such Defaulting Member's Membership Interest; (ii) offer the Defaulting Member's Membership Interest for sale to the other Members or to the Company after such reduction, and the purchase price for the

Defaulting Member's Membership Interest shall be determined by the Managers, with the other Members, and with the Company, having the option, but not the obligation, to purchase the Defaulting Member's Membership Interest on such terms; (iii) charge such Defaulting Member interest on the amount due equal to the highest legally permissible interest rate in the State plus associated or related expenses, fees or costs (or such lesser amounts as determined by the Managers), or (iv) pursue any other remedies available under this Agreement or Applicable Law, including seeking damages or specific performance, or a combination of any of the options described herein.

- (f) The Managers shall provide written notice to the Defaulting Member and the other Members of any actions taken pursuant to paragraph.
- (g) The failure of the Company or the Managers to exercise any right or remedy provided under this paragraph shall not constitute a waiver of such right or remedy or any other right or remedy available under this Agreement or Applicable Law.
- (h) The provisions of this paragraph shall survive the termination, dissolution, liquidation, and winding up of the Company.

Article IV. MEMBERS

SECTION 4.01 Admission of New Members.

- (a) New Members may be admitted from time to time with unanimous consent from the Member Managers (i) in connection with the issuance of Membership Interests by the Company, or (ii) in connection with a Transfer of Membership Interests, subject to compliance with the provisions of ARTICLE IX, and in either case, following compliance with the provisions of .
- (b) In order for any Person not already a Member of the Company to be admitted as a Member, whether pursuant to an issuance or Transfer of Membership Interests, such Person shall have (i) executed and delivered to the Company a written undertaking substantially in the form of the Joinder Agreement, and (ii) provided to the Company any information required from such Person under Section 11.07. Upon the amendment of the Members Schedule by the Managers and the satisfaction of any other applicable conditions, including the receipt by the Company of payment for the issuance of Membership Interests, such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company. The Managers shall also adjust the Capital Accounts of the Members as necessary in accordance with Section 3.04.

Section 4.02 No Personal Liability. Except as otherwise provided in the Act, by Applicable Law or expressly in this Agreement, (a) no Member or its employees, officers, trustees or directors shall be obligated personally for any debt, obligation or liability of the Company or other Members, whether arising in contract, tort or otherwise, solely by reason of being a Member and (b) no Member shall in any event have any liability whatsoever in excess of (i) the amount of its Capital

Commitments set forth in the Members Schedule, and (ii) its share of assets and undistributed profits of the Company, if any.

Section 4.03 No Withdrawal; Bankruptcy. Subject to Section 4.08, so long as a Member continues to hold any Membership Interests, such Member shall not have the ability to withdraw or resign as a Member prior to the dissolution and winding up of the Company and any such withdrawal or resignation or attempted withdrawal or resignation by a Member prior to the dissolution or winding up of the Company shall be null and void. As soon as any Person who is a Member ceases to hold any Membership Interests, such Person shall no longer be a Member. A Member shall not cease to be a Member as a result of the bankruptcy of such Member or as a result of any other events specified in § 18-304 of the Act.

Section 4.04 Power of Members. The Members shall have the power to exercise any and all rights or powers granted to Members pursuant to the express terms of this Agreement and the Act. Except as otherwise specifically provided by this Agreement or required by the Act, no Member, in its capacity as a Member, shall have the power to act for or on behalf of, or to bind, the Company.

Section 4.05 No Interest in Company Property. No real or personal property owned by the Company shall be deemed to be owned by any Member individually, but shall be owned by, and title shall be vested solely in, the Company. Without limiting the foregoing, each Member hereby irrevocably waives during the term of the Company any right that such Member may have to maintain any action for partition with respect to the property owned by the Company.

Section 4.06 Certification of Membership Interests.

- (a) The Managers may, but shall not be required to, issue certificates to the Members representing the Membership Interests held by such Member.
- (b) If the Managers shall issue certificates representing Membership Interests in accordance with Section 4.06(a), then in addition to any other legend required by Applicable Law, all certificates representing issued and outstanding Membership Interests shall bear a legend substantially in the following form:

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LIMITED LIABILITY COMPANY AGREEMENT AMONG THE COMPANY AND ITS MEMBERS, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICE OF THE COMPANY. NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE MEMBERSHIP INTERESTS REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH LIMITED LIABILITY COMPANY AGREEMENT.

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED EXCEPT PURSUANT TO (A) A REGISTRATION STATEMENT EFFECTIVE UNDER SUCH ACT AND LAWS, OR (B) AN EXEMPTION FROM REGISTRATION THEREUNDER.

Section 4.07 Other Activities; Business Opportunities. Each Member acknowledges that this Agreement and all its rights and obligations are non-exclusive. Nothing contained in this Agreement shall prevent any Member or any of its Affiliates, either with itself or with one or more third parties, from engaging in any other activities or businesses, regardless of whether those activities or businesses are the same, similar to or competitive with the business of the Company. None of the Members nor any of their Affiliates shall be obligated to account to the Company or to the other Member for any profits or income earned or derived from other such activities or businesses. None of the Members nor any of their Affiliates shall be obligated to inform the Company or the other Members of any business opportunity of any type or description. The Company hereby waives, to the extent permitted by Applicable Law, any claim based on the corporate opportunity doctrine or otherwise that could limit a Member's (or its Affiliates') ability to pursue business opportunities or that would require a Member (or its Affiliates) to disclose any information on business opportunities to the Company or offer any such opportunity to the Company.

Section 4.08 Required Withdrawal.

- (a) In the event that a Member is subject to a Cause Event (as defined below), a majority of the Managers may force the withdrawal of such Member from the Company. Upon such vote, the Member shall be deemed to have withdrawn from the Company effective immediately, and the Company shall proceed to purchase the withdrawing Member's interest in accordance with the terms set forth in ARTICLE IX.
- (b) For purposes of this Agreement, a “Cause Event” shall be deemed to have occurred if a Member (i) is convicted of, or pleads guilty or no contest to, a felony or any crime involving moral turpitude, fraud, embezzlement, or any other act of dishonesty that materially and adversely affects the business or reputation of the Company; (ii) engages in willful misconduct or gross negligence in the performance of their duties to the Company, including but not limited to, a material breach of fiduciary duty; (iii) becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent, or has a receiver, trustee, or custodian appointed for a substantial part of their property; (iv) misappropriates or embezzles funds or property of the Company; or (v) becomes incapacitated or otherwise unable to perform their duties to the Company for a period of ninety (90) consecutive days or for an aggregate of one hundred twenty (120) days in any twelve (12) month period.

Article V.
ALLOCATIONS

Section 5.01 Allocation of Net Income and Net Loss. For each Fiscal Year (or portion thereof), after giving effect to the special allocations set forth in Section 5.02, Net Income and Net Loss of the Company shall be allocated among the Members pro rata in accordance with their Membership Interests.

Section 5.02 Regulatory and Special Allocations. Notwithstanding the provisions of Section 5.01:

- (a) If there is a net decrease in Company Minimum Gain (determined according to Treasury Regulations Section 1.704-2(d)(1)) during any Fiscal Year, each Member shall be specially allocated Net Income for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g). The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.02 is intended to comply with the "minimum gain chargeback" requirement in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.
- (b) Member Nonrecourse Deductions shall be allocated in the manner required by Treasury Regulations Section 1.704-2(i). Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), if there is a net decrease in Member Nonrecourse Debt Minimum Gain during any Fiscal Year, each Member that has a share of such Member Nonrecourse Debt Minimum Gain shall be specially allocated Net Income for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to that Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain. Items to be allocated pursuant to this paragraph shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.02(b) is intended to comply with the "minimum gain chargeback" requirements in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.
- (c) Nonrecourse Deductions shall be allocated to the Members in accordance with their Membership Interests.
- (d) In the event any Member unexpectedly receives any adjustments, allocations or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), Net Income shall be specially allocated to such Member in an amount and manner sufficient to eliminate the Adjusted Capital Account Deficit created by such adjustments, allocations or distributions as quickly as possible. This Section 5.02(d) is intended to comply with the "qualified income offset" requirement in Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.
- (e) The allocations set forth in paragraphs (a), (b), (c), and (d) above (the "**Regulatory Allocations**") are intended to comply with certain requirements of the Treasury Regulations under Code Section 704. Notwithstanding any other provisions of this ARTICLE V (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating Net Income and Net Losses among Members so that, to the extent possible, the net amount of such allocations of Net Income and Net Losses and 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.

Section 5.03 Tax Allocations.

- (a) Subject to Section 5.03(b), and , all income, gains, losses and deductions of the Company shall be allocated, for federal, state and local income tax purposes, among the Members in accordance with the allocation of such income, gains, losses and deductions pursuant to

Section 5.01 and Section 5.02, except that if any such allocation for tax purposes is not permitted by the Code or other Applicable Law, the Company's subsequent income, gains, losses and deductions shall be allocated among the Members for tax purposes, to the extent permitted by the Code and other Applicable Law, so as to reflect as nearly as possible the allocation set forth in Section 5.01 and Section 5.02.

- (b) Items of Company taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704(c) and the traditional method with curative allocations of Treasury Regulations Section 1.704-3(c), 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 Book Value.
- (c) If the Book Value of any Company asset is adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(f) as provided in clause (c) of the definition of Book Value in Section 1.01, subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c).
- (d) Allocations of tax credit, tax credit recapture and any items related thereto shall be allocated to the Members according to their interests in such items as determined by the Managers taking into account the principles of Treasury Regulations Section 1.704-1(b)(4)(ii).
- (e) Allocations pursuant to this Section 5.03 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Losses, distributions or other items pursuant to any provisions of this Agreement.

Section 5.04 Allocations in Respect of Transferred Membership Interests. In the event of a Transfer of Membership Interests during any Fiscal Year made in compliance with the provisions of ARTICLE IX, Net Income, Net Losses and other items of income, gain, loss and deduction of the Company attributable to such Membership Interests for such Fiscal Year shall be determined using the interim closing of the books method.

Article VI. DISTRIBUTIONS

Section 6.01 General.

- (a) Subject to Section 6.02, distributions of available cash shall be made to the Members in accordance with their respective Membership Interests when and in such amounts as determined by the Managers in their sole discretion. After making all distributions required for a given Fiscal Year under Section 6.02, distributions determined to be made by the Managers pursuant to this Section 6.01 shall be paid to the Members in accordance with their respective Membership Interests.

(b) Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any distribution to Members if such distribution would violate Section 18-607 of the Act or other Applicable Law.

Section 6.02 Tax Advances.

(a) Subject to any restrictions in the Company's then applicable debt-financing arrangements, and subject to the determination by the Managers to retain any other amounts necessary to satisfy the Company's obligations, at least five (5) Business Days before each date prescribed by the Code for a calendar-year corporation to pay quarterly installments of estimated tax, the Company shall use commercially reasonable efforts to distribute cash to each Member in proportion to and to the extent of such Member's Quarterly Estimated Tax Amount for the applicable calendar quarter (each such distribution, a "**Tax Advance**").

(b) If, at any time after the final Quarterly Estimated Tax Amount has been distributed pursuant to with respect to any Fiscal Year, the aggregate Tax Advances to any Member with respect to such Fiscal Year are less than such Member's Tax Amount for such Fiscal Year (a "**Shortfall Amount**"), then the Company shall use commercially reasonable efforts to distribute cash in proportion to and to the extent of each Member's Shortfall Amount. The Company shall use commercially reasonable efforts to distribute Shortfall Amounts with respect to a Fiscal Year before the 75th day of the next succeeding Fiscal Year; *provided*, that if the Company has made distributions other than pursuant to this Section 6.02, the Managers may apply such distributions to reduce any Shortfall Amount.

(c) If the aggregate Tax Advances made to any Member pursuant to Section 6.02 for any Fiscal Year exceed such Member's Tax Amount (an "**Excess Amount**"), such Excess Amount shall reduce subsequent Tax Advances that would be made to such Member pursuant to this Section 6.02, except to the extent taken into account as an advance pursuant to .

(d) Any distributions made pursuant to this Section 6.02 shall be treated for purposes of this Agreement as advances on distributions pursuant to Section 6.01 and shall reduce, dollar-for-dollar, the amount otherwise distributable to such Member pursuant to Section 6.01.

Section 6.03 Tax Withholding; Withholding Advances.

(a) **Tax Withholding.** Each Member agrees to furnish the Company with any representations and forms as shall be reasonably requested by the Managers to assist it in determining the extent of, and in fulfilling, any withholding obligations it may have.

(b) **Withholding Advances.** The Company is hereby authorized at all times to make payments ("**Withholding Advances**") with respect to each Member in amounts required to discharge any obligation of the Company (as determined by the Tax Matters Representative based on the advice of legal or tax counsel to the Company) to withhold or make payments to any federal, state, local or foreign authority exercising any authority to impose, regulate or administer the imposition of taxes (a "**Taxing Authority**") with respect to any distribution or allocation by the Company of income or gain to such Member and to withhold the same from distributions to such Member. Any funds withheld from a distribution by reason of

this Section 6.03(b) shall nonetheless be deemed distributed to the Member in question for all purposes under this Agreement. If the Company makes any Withholding Advance in respect of a Member hereunder that is not immediately withheld from actual distributions to the Member, then the Member shall promptly reimburse the Company for the amount of such payment, plus interest at a rate equal to the prime rate published in the Wall Street Journal on the date of payment plus two percent (2.0%) per annum, compounded annually, on such amount from the date of such payment until such amount is repaid (or deducted from a distribution) by the Member (any such payment shall not constitute a Capital Contribution). Each Member's reimbursement obligation under this Section 6.03(b) shall continue after such Member transfers its Membership Interests.

- (c) **Tax Allocation**. Each Member hereby agrees to be responsible for any liability with respect to taxes, interest or penalties that may be asserted by reason of the Company's failure to deduct and withhold tax on amounts distributable or allocable to such Member. The provisions of this Section 6.03(c) and the obligations of a Member pursuant to Section 6.03(b) shall survive the termination, dissolution, liquidation and winding up of the Company and the withdrawal of such Member from the Company or Transfer of its Membership Interests. The Company may pursue and enforce all rights and remedies it may have against each Member under this Section 6.03(c), including bringing a lawsuit to collect repayment with interest of any Withholding Advances.
- (d) **Overwithholding**. Neither the Company nor the Managers shall be liable for any excess taxes withheld in respect of any distribution or allocation of income or gain to a Member. In the event of an overwithholding, a Member's sole recourse shall be to apply for a refund from the appropriate Taxing Authority.
- (e) **Withholding Process for NJEDA and Rowan**. NJEDA and Rowan have advised the Members that NJEDA and Rowan are tax-exempt entities under United States federal, state and local laws, and have never been subject to, and are unlikely to be subject to, any tax withholding requirements of the United States federal, state or local laws. Based on the foregoing, notwithstanding anything else herein to the contrary, before withholding and paying over to any United States federal, state or local taxing authority any amount purportedly representing a tax liability of NJEDA or Rowan, the Managers shall provide NJEDA and/or Rowan, as applicable, with written notice of the claim of any such United States taxing authority that such withholding and payment is required by law and shall provide NJEDA and/or Rowan, as applicable, with the opportunity to contest such claim during any period. To the extent that such contest subjects the Company to any potential liability to such taxing authority or any other Governmental Authority for any withholding payment, interest, or penalties thereon, NJEDA and Rowan, as applicable, consent to such withholding and payment. If withholding is made, the Managers shall use their commercially reasonable efforts to apply for and obtain a refund of amounts that are withheld as to NJEDA or Rowan, based on NJEDA's and Rowan's tax-exempt status, *provided*, that NJEDA and Rowan, as applicable, cooperate in such efforts and agree to reimburse the Company and the Members for reasonable out-of-pocket expenses incurred by the Company or the Members in connection therewith.

Section 6.04 Distributions in-Kind.

- (a) The Managers are hereby authorized, as they may reasonably determine, to make distributions to the Members in the form of securities or other property held by the Company; *provided*, that Tax Advances shall only be made in cash. In any non-cash distribution, the securities or property so distributed shall be distributed among the Members in the same proportion and priority as cash equal to the Fair Market Value of such securities or property would be distributed among the Members pursuant to Section 6.01.
- (b) Any distribution of securities shall be subject to such conditions and restrictions as the Managers determine are required or advisable to ensure compliance with Applicable Law. In furtherance of the foregoing, the Managers may require that the Members execute and deliver such documents as the Managers may deem necessary or appropriate to ensure compliance with all federal and state securities laws that apply to such distribution and any further Transfer of the distributed securities and may appropriately legend the certificates that represent such securities to reflect any restriction on Transfer with respect to such laws and in accordance with Section 4.06.

Article VII. MANAGEMENT

Management of the Company.**Section 7.01** The business and affairs of the Company shall be managed, operated and controlled by or under the direction of the Managers. Subject to the provisions of Section 7.05, the Managers shall have, and are hereby granted, full and complete power, authority and discretion for, on behalf of and in the name of the Company, to take such actions as they may deem necessary or advisable to carry out any and all of the objectives and purposes of the Company. Notwithstanding anything to the contrary, Rowan will be the Managing Member of the Company. As the Managing Member, Rowan shall have the authority to bind the Company in any transaction in the ordinary course of business; provided that the Managing Member shall not have the authority to amend this Agreement, admit additional members, agree to any merger, consolidation, liquidation, or dissolution, commit to any long-term agreement exceeding the Initial Operations Period except for building or equipment leases, or sell, transfer or otherwise convey any assets, other than in the normal course of business, without the prior written consent of NJEDA.

Section 7.02 .Number, Election, and Term of Managers.

- (a) The number of Managers shall be fixed from time to time by the unanimous affirmative vote of the Member Managers. The Company shall initially have three (3) Managers, with two (2) out of the three (3) Managers each appointed by one Initial Member (each, a “**Member Manager**”) such that each Initial Member shall appoint their own Member Manager, and one of the three (3) Managers (the “**Independent Manager**”) shall be appointed by a unanimous affirmative vote of the Member Managers. The Independent Manager shall be replaced upon the consent of the Rowan and NJEDA. The initial Member Managers shall be [REDACTED] (on behalf of Rowan), and [] (on behalf of NJEDA) and [REDACTED] shall be the Independent Manager.

- (b) Each Member Manager shall be appointed from time-to-time by the affirmative election of the Initial Member who appointed such Initial Member's initial Member Manager in the sole discretion of the applicable Initial Member. Each Manager, including each of the initial Managers named in this Agreement, shall serve for a term ending at the next meeting of Initial Members called for the purpose of electing Managers, or until the Manager's earlier death, resignation, or removal. Each Member Manager may be removed and replaced at any time in the sole discretion of the Initial Member who appointed such Member Manager.
- (c) The Managers shall maintain a schedule of all Managers with their respective mailing addresses (the "**Managers Schedule**") and shall update the Managers Schedule upon the removal or replacement of any Manager in accordance with this Section 7.02 or Section 7.03. A copy of the Managers schedule as of the execution of this Agreement is attached hereto as **Schedule C**.

Section 7.03 Removal; Resignation; Vacancies.

- (a) No Member may remove another Member's Member Manager without the consent of the Member who appointed such Member Manager.
- (b) A Manager may resign at any time by delivering a written resignation to the Company. Any such resignation shall be effective upon receipt thereof unless it is specified to be effective at some other time or upon the occurrence of some other event. The acceptance of a resignation by the other Managers shall not be necessary to make it effective.
- (c) The resignation or removal of a Manager who is also a Member shall not constitute a withdrawal or expulsion of the Manager as a Member of the Company or otherwise affect the Manager's rights as a Member. If a Member Manager resigns or is removed, the Member who appointed such Member Manager shall elect a successor promptly and as soon as reasonably possible.

Section 7.04 Action by Managers.

- (a) If there is more than one Manager serving, all decisions requiring action of the Managers or relating to the business or affairs of the Company shall be decided by the affirmative vote or consent of a majority of the Managers, except as otherwise provided herein. Each Member has the right to one observer seat. The Managers shall meet in-person or virtually at least once a quarter to oversee operations of the SIC and make strategic decisions.
- (b) On any matter that is to be voted on by Managers, a Manager may vote in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission or as otherwise permitted by Applicable Law. Every proxy shall be revocable in the discretion of the Manager executing it unless otherwise provided in such proxy; *provided*, that such right to revocation shall not invalidate or otherwise affect actions taken under such proxy prior to such revocation.
- (c) Any action of the Managers may be taken without a meeting if either (i) a written consent of a majority of the Managers shall approve such action; *provided*, that prior written notice of such action is provided to all Managers at least five (5) Business Days before such action

is taken, or (ii) a written consent constituting all of the Member Managers shall approve such action. Such consent shall have the same force and effect as a vote at a meeting and may be stated as such in any document or instrument filed with the Division of Revenue and Enterprise Services in the Department of the Treasury.

Section 7.05 Actions Requiring Approval of all Managers. Without the unanimous written approval of all of the Member Managers, the Company shall not, and shall not enter into any commitment to:

- (a) Amend, modify or waive the Certificate of Formation or this Agreement; *provided*, that the Managers may, without the consent of the Members, amend the Members Schedule following any new issuance, redemption, repurchase or Transfer of Membership Interests in accordance with this Agreement;
- (b) Convert the Company into another type of entity or materially change the nature of the business or purpose of the Company, including the mission statement in **Schedule A**;
- (c) Authorize, issue, redeem or repurchase any Membership Interests or admit additional Members to the Company;
- (d) Incur any indebtedness, pledge or grant Liens on any assets or guaranty, assume, endorse or otherwise become responsible for the obligations of any other Person;
- (e) Make any loan, advance or capital contribution in any Person;
- (f) Appoint or remove the Company's auditors or make any changes in the accounting methods or policies of the Company (other than as required by GAAP);
- (g) Enter into, amend, waive or terminate any Related Party Agreement;
- (h) Enter into or effect any transaction or series of related transactions involving the purchase, lease, license, exchange or other acquisition (including by merger, consolidation, acquisition of stock or acquisition of assets) by the Company of any assets or equity interests of any Person, other than assets sold in the ordinary course of business of the Company;
- (i) Enter into or effect any transaction or series of related transactions involving the sale, lease, license, exchange or other disposition (including by merger, consolidation, sale of stock or sale of assets) by the Company of any Company assets;
- (j) Establish a Subsidiary or enter into any joint venture or similar business arrangement;
- (k) Settle any lawsuit, action, dispute or other proceeding or otherwise assume any liability or agree to the provision of any equitable relief by the Company;
- (l) Initiate or consummate an initial public offering or make a public offering and sale of the Membership Interests or any other securities;

- (m) Make any investments in any other Person;
- (n) Merge, consolidate, dissolve, wind-up or liquidate the Company or initiate insolvency or bankruptcy proceedings involving the Company;
- (o) Approve the employment of any personnel directly by the Company;
- (p) Incur any material liability other than in the ordinary course of business;
- (q) Materially change any tax policy or tax election;
- (r) Change the external auditors of the Company to an entity other than the “big four” national auditing firms;
- (s) Make any amendments to the Accelerator SIC Operations Agreement or the Studio SIC Operations Agreement;
- (t) Make any fundamental change to the business of the Company not in alignment the mission statement on **Schedule A**; and
- (u) Remove the Executive Director or appoint a replacement Executive Director, in each case, except as set forth in Section 7.03.

Section 7.06 Business Plan and Budgets.

- (a) Not less than annually, the Managers shall approve a business plan and monthly and annual operating budgets for the Company in detail for the upcoming Fiscal Year, including capital and operating expense budgets, cash flow projections, covenant compliance calculations of all outstanding and projected indebtedness, and profit and loss projections, all itemized in reasonable detail. The Managers shall amend the business plan and budgets when material changes occur and otherwise as they determine appropriate or necessary. The Managers shall provide a copy of the business plan and budgets and each amendment thereto or modification thereof to each Member.
- (b) A five (5) year operating expense budget for the Company is outlined in **Exhibit D** (the “**OPEX Budget**”). The OPEX Budget of the Company will be funded on a quarterly basis in advance based on the operating budget agreed upon pursuant to Section 7.06(a) above.

Section 7.07 Officers. The Managers may appoint individuals as officers of the Company (the “**Officers**”) as they deem necessary or desirable to carry on the business of the Company and the Managers may delegate to such Officers such power and authority as the Managers deem advisable. No Officer need be a Member of the Company. Any individual may hold two or more offices of the Company. Each Officer shall hold office until a successor is designated by the Managers or until the Officer’s earlier death, resignation or removal. Any Officer may resign at any time on written notice to the Managers. Any Officer may be removed by the Managers with or without cause at any time. A vacancy in any office occurring because of death, resignation, removal or otherwise, may, but need not, be filled by the Managers. Notwithstanding the foregoing, Rowan shall select an executive director of the Company (the “**Executive Director**”),

with private sector experience, who shall act as the chief executive officer of the Company and shall be approved in writing by a vote of the Managers (including both Member Managers) in accordance with Section 7.04. In consultation with the Managers, Rowan may remove who is selected as the Executive Director at any time upon written notice to the Members. In the event that Rowan removes the Executive Director, Rowan shall select a replacement with the involvement and subject to the approval of the Managers (including both Member Managers) in accordance with Section 7.04, within ninety (90) days following the effective date of such removal. In such event, Rowan shall name an interim Executive Director to serve from the time the exiting Executive Director is removed until the new Executive Director, as approved by the Managers (including both Member Managers), begins service. The Executive Director shall (a) be an employee of Rowan, (b) provide regular reports to the Managers, (c) meet upon request with the Managers to discuss progress, (d) not be a Manager, (e) be an Officer, and (vi) have the customary authority to bind the Company in any transaction in the ordinary course of business up to \$100,000. The management of SIC shall consist of the Executive Director and dedicated staff hired by the Executive Director. It may include staff hired by parties and assigned to activities at the SIC. Any assigned employees by the parties, including the Executive Director, shall be governed by a services agreement approved by the Managers (including both Member Managers) between the Company and such parties.

Section 7.08 Other Activities of Managers; Business Opportunities. Managers shall devote so much time and attention to the business of the Company as they deem appropriate in their sole discretion. Nothing contained in this Agreement shall prevent any Manager from engaging in any other activities or businesses, regardless of whether those activities or businesses are the same, similar to or competitive with the Company. None of the Managers shall be obligated to account to the Company or to the Members for any profits or income earned or derived from other such activities or businesses. None of the Managers shall be obligated to inform the Company or the Members of any business opportunity of any type or description. The Company hereby waives, to the extent permitted by Applicable Law, any claim based on the corporate opportunity doctrine or otherwise that could limit a Manager's ability to pursue business opportunities or that would require a Manager to disclose any information on business opportunities to the Company or offer any such opportunity to the Company. Any Manager shall be deemed to be acting at all times solely as the representative of the Member who appointed such Manager and, to the fullest extent permitted by Applicable Law, such Manager shall not be deemed to have any fiduciary duties to the Company or any other Member. The Members and the Company acknowledge and waive any conflicts a Manager may have related to or presented by a Manager's responsibilities to a Member in that individual's capacity as an employee or officer of a Member.

Section 7.09 Compensation and Reimbursement of Managers; No Employment.

- (a) The Managers shall not be compensated for their services as Managers, but the Company shall reimburse the Managers for all ordinary, necessary and direct expenses incurred by the Managers in performance of their duties as Managers. All reimbursements for expenses shall be reasonable in amount. Nothing contained in this Section 7.09 shall be construed to preclude any Manager from serving the Company in any other capacity and receiving reasonable compensation for such services.

(b) This Agreement does not, and is not intended to, confer upon any Manager any rights with respect to continued employment by the Company, and nothing herein should be construed to have created any employment agreement with any Manager.

Section 7.10 Committees. The Managers shall establish bylaws approved by the Managers to outline procedures for governance, including the provision of standing committees, yearly re-approvals by the Managers of each Manager's and each Member's roles and responsibilities, and any additional meeting protocols the Managers believe are necessary.

Section 7.11 Advisory Board.

(a) Establishment of an Advisory Board. The parties and the Executive Director shall jointly work to establish an advisory board (the “**Advisory Board**”) to assist the Managers, as needed. The Advisory Board shall initially be composed of three members, one representative from each of Rowan and NJEDA and one additional member from the New Jersey ecosystem to be mutually agreed upon by Rowan and NJEDA.

(b) Criteria for Membership. Proposed members of the Advisory Board should possess expertise in one or more of the following areas:

- (i) MedTech and MIH: Individuals with a deep understanding of MedTech and MIH and their applications.
- (ii) Start-Up Ventures: Experts with experience in launching and scaling start-up companies.
- (iii) Higher Education: Representatives from academic institutions who can provide insights into educational trends and research.
- (iv) Workforce Development: Professionals focused on developing and enhancing the skills of the workforce to meet the demands of the MedTech and MIH industries.
- (v) Other Relevant Areas: Individuals with expertise in fields that are pertinent to the objectives of the SIC.

Additionally, it is essential that some members have established relationships within the State’s MedTech and MIH ecosystem to ensure that the Advisory Board is well-connected and can effectively contribute to the Company and SIC’s mission.

(c) Role and Responsibilities. The Advisory Board shall convene regularly to provide guidance and advice to the SIC. Their responsibilities shall include:

- (i) Offering strategic insights and recommendations to support the SIC’s initiatives;
- (ii) Facilitating connections and collaborations between the SIC and key stakeholders in the MedTech and MIH communities;
- (iii) Assisting in identifying opportunities for growth and development within the MedTech and MIH sectors; and

- (iv) Ensuring that the SIC's activities align with the broader goals of fostering innovation, education, and workforce development in the State.

Any decisions or actions made by the Advisory Board shall be for guidance purposes only and shall not in any manner bind the Members of the Company.

- (d) **No Personal Liability.** Except as otherwise provided in the Act, by Applicable Law or expressly in this Agreement, no Manager shall be obligated personally for any debt, obligation or liability of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Manager.

Article VIII. **REPRESENTATIONS AND WARRANTIES**

Section 8.01 Member Representations and Warranties. By execution and delivery of this Agreement or a Joinder Agreement, as applicable, each of the Members, whether admitted as of the date hereof or pursuant to Section 4.01, represents and warrants to the Company and acknowledges that:

- (a) The Membership Interest have not been registered under the Securities Act or the securities laws of any other jurisdiction, are issued in reliance upon federal and state exemptions for transactions not involving a public offering, and cannot be disposed of unless (i) they are subsequently registered or exempted from registration under the Securities Act and (ii) the provisions of this Agreement have been complied with;
- (b) Such Member (i) is an “accredited investor” within the meaning of Rule 501 promulgated under the Securities Act and (ii) agrees not to take any action that could have an adverse effect on the availability of the exemption from registration provided by Rule 501 promulgated under the Securities Act with respect to the offer and sale of the Membership Interests;
- (c) Such Member’s Membership Interests are being acquired for such Member’s own account solely for investment and not with a view to resale or distribution thereof;
- (d) Such Member has conducted their own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition, and prospects of the Company and such Member acknowledges that they have been provided adequate access to the personnel, properties, premises, and records of the Company for such purpose;
- (e) The determination of such Member to acquire Membership Interests has been made by such Member independent of any other Member and independent of any statements or opinions as to the advisability of such purchase or as to the business, operations, assets, liabilities, results of operations, financial condition, and prospects of the Company that may have been made or given by any other Member or by any affiliate or Representative of any other Member;

- (f) Such Member has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the Company and making an informed decision with respect thereto;
- (g) Such Member is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time;
- (h) The execution, delivery, and performance of this Agreement or the Joinder Agreement by such Member (i) if it is an entity, have been duly authorized by all requisite entity action on the part of such Member and do not require such Member to obtain any consent or approval that has not been duly obtained; and (ii) do not contravene in any material respect or result in a default under (A) any provision of any law or regulation applicable to such Member; (B) if such Member is an entity, its governing documents; or (C) any agreement or instrument to which such Member is a party or by which such Member is bound; and
- (i) This Agreement is valid, binding, and enforceable against such Member in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general applicability relating to or affecting creditors' rights or general equity principles (regardless of whether considered at law or in equity).

Article IX. **TRANSFER**

Section 9.01 General Restrictions on Transfer.

- (a) Except as permitted pursuant to Section 9.02, no Member shall Transfer all or any portion of its Membership Interest in the Company without the unanimous consent of the Member Managers (. No Transfer of Membership Interests to a Person not already a Member of the Company shall be deemed completed until the prospective Transferee is admitted as a Member of the Company in accordance with Section 4.01 hereof.
- (b) Notwithstanding any other provision of this Agreement (including Section 9.02), each Member agrees that it shall not Transfer all or any portion of its Membership Interest in the Company, and the Company agrees that it shall not issue any Membership Interests:
 - (i) except as permitted under the Securities Act and other applicable federal or state securities or blue-sky laws, and then, with respect to a Transfer of Membership Interests, only upon delivery to the Company of an opinion of counsel in form and substance satisfactory to the Company to the effect that such Transfer may be effected without registration under the Securities Act;
 - (ii) if such Transfer or issuance would cause the Company to be considered a "publicly traded partnership" under Section 7704(b) of the Code within the meaning of Treasury Regulations Section 1.7704-1(h)(1)(ii), including the look-through rule in Treasury Regulations Section 1.7704-1(h)(3);

- (iii) if such Transfer or issuance would affect the Company's existence or qualification as a limited liability company under the Act;
- (iv) if such Transfer or issuance would cause the Company to lose its status as a partnership for federal income tax purposes;
- (v) if such Transfer or issuance would cause the Company to be required to register as an investment company under the Investment Company Act of 1940, as amended; or
- (vi) if such Transfer or issuance would cause the assets of the Company to be deemed "plan assets" as defined under the Employee Retirement Income Security Act of 1974 or its accompanying regulations or result in any "prohibited transaction" thereunder involving the Company.

- (c) Any Transfer or attempted Transfer of any Membership Interest in violation of this Agreement shall be null and void, no such Transfer shall be recorded on the Company's books and the purported Transferee in any such Transfer shall not be treated (and the purported Transferor shall continue be treated) as the owner of such Membership Interest for all purposes of this Agreement.
- (d) For the avoidance of doubt, any Transfer of a Membership Interest permitted by this Agreement shall be deemed a sale, transfer, assignment or other disposal of such Membership Interest in its entirety as intended by the parties to such Transfer, and shall not be deemed a sale, transfer, assignment or other disposal of less than all of the rights and benefits described in the definition of the term "Membership Interest," unless otherwise explicitly agreed to by the parties to such Transfer.

Section 9.02 Permitted Transfers. The provisions of Section 9.01 shall not apply to any Transfer by any Member of all or any portion of its Membership Interest to any of the following:

- (a) Any Person as required by law or a change in law;
- (b) Any Affiliate of such Member; or
- (c) With respect to any Member that is a natural Person, (i) such Member's Spouse, parent, siblings, descendants (including adoptive relationships and stepchildren) and the Spouses of each such natural persons (collectively, "**Family Members**"); (ii) a trust under which the distribution of Membership Interests may be made only to such Member or any Family Member of such Member; (iii) a charitable remainder trust, the income from which shall be paid to such Member during their life; (iv) a corporation, partnership or limited liability company, the stockholders, partners or members of which are only such Member or Family Members of such Member; or (v) by will or by the laws of intestate succession, to such Member's executors, administrators, testamentary trustees, legatees or beneficiaries.

Article X. **EXCULPATION AND INDEMNIFICATION**

Section 10.01 Exculpation of Covered Persons.

- (a) **Covered Persons**. As used herein, the term “**Covered Person**” shall mean (i) each Member; (ii) each officer, director, trustee, stockholder, partner, member, Affiliate, employee, invitee, independent contractor, agent or representative of each Member; and (iii) each Manager, Officer, employee, agent or representative of the Company.
- (b) **Standard of Care**. No Covered Person shall be liable to the Company or any other Covered Person for any suits, demands, expenses, loss, damage or claim of whatsoever kind or nature arising out of or in connection with any action taken or omitted to be taken by such Covered Person in their capacity as a Covered Person.

Section 10.02 Liabilities and Duties of Covered Persons.

- (a) **Limitation of Liability**. This Agreement is not intended to, and does not, create or impose any fiduciary duty on any Covered Person. Furthermore, each of the Members and the Company hereby waives any and all fiduciary duties that, absent such waiver, may be implied by Applicable Law, and in doing so, acknowledges and agrees that the duties and obligation of each Covered Person to each other and to the Company are only as expressly set forth in this Agreement. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of such Covered Person.
- (b) **Duties**. Whenever in this Agreement a Covered Person is permitted or required to make a decision (including a decision that is in such Covered Person’s “discretion” or under a grant of similar authority or latitude), such Covered Person shall be entitled to consider only such interests and factors as such Covered Person desires, including its own interests, and shall have no duty or obligation to give any consideration to any interest of or factors affecting the Company or any other Person. Whenever in this Agreement a Covered Person is permitted or required to make a decision in such Covered Person’s “good faith,” the Covered Person shall act under such express standard and shall not be subject to any other or different standard imposed by this Agreement or any other Applicable Law.

Section 10.03 Release. Except as provided in Section 4.02, each party shall be responsible for, and, at its own expense, defend itself against, and hereby releases the other parties from any and all suits, claims losses, demands, expenses, or damages of whatsoever kind or nature, arising out of or in connection with any act or omission by such other party or its employees, representatives, agents, independent contractors or invitees, related to this Agreement. Except for breaches of the Confidential Information provisions as set forth in Section 14.03 or a violation of the IP rights of a Member by another arising solely in connection with this Agreement, in no event shall any party be entitled to special, incidental, indirect, consequential, or punitive damages, including without limitation, lost profits, lost revenues or business interruption, arising out of or related to this Agreement, or any party’s acts or omissions in connection with the SIC and its operations, regardless of the nature of the claim and regardless of whether any party is aware of the possibility of such damages or losses.

Article XI. COMPLIANCE; TAX MATTERS

Section 11.01 Financial Statements. The Company shall require the Executive Director to furnish to each Member the following reports:

- (a) Annual Financial Statements. As soon as available, and in any event within one hundred and twenty (120) days after the end of each Fiscal Year, audited consolidated balance sheets of the Company as at the end of each such Fiscal Year and audited consolidated statements of income, cash flows and Members' equity for such Fiscal Year, in each case setting forth in comparative form the figures for the previous Fiscal Year, accompanied by the certification of independent certified public accountants of recognized national standing selected by the Managers, certifying to the effect that, except as set forth therein, such financial statements have been prepared in accordance with GAAP, applied on a basis consistent with prior years, and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of their operations and changes in their cash flows and Members' equity for the periods covered thereby. Such reports shall include key performance indicator data as agreed to by the Managers.
- (b) Quarterly Financial Statements. As soon as available, and in any event within forty five (45) days after the end of each quarterly accounting period in each Fiscal Year (other than the last fiscal quarter of the Fiscal Year), unaudited consolidated balance sheets of the Company as at the end of each such fiscal quarter and for the current Fiscal Year to date and unaudited consolidated statements of income, cash flows and Members' equity for such fiscal quarter and for the current Fiscal Year to date, in each case setting forth in comparative form the figures for the corresponding periods of the previous fiscal quarter, all in reasonable detail and all prepared in accordance with GAAP, consistently applied (subject to normal year-end audit adjustments and the absence of notes thereto), and certified by the principal financial or accounting officer of the Company. Such reports shall include key performance indicator data as agreed to by the Managers.
- (c) Other Statements.
 - (i) Commencing on the six (6) month anniversary of the date of this Agreement, the Executive Director shall provide to the Members quarterly commitment reports, in the format attached hereto as **Exhibit C**.
 - (ii) Prior to the termination of the SIC, the Company shall provide metrics to the Members on the SIC's engagements and interactions with startup companies at least annually or more frequently if agreed by a majority of the Managers, which metrics shall include, without limitation, (A) information on employment including numbers, functions and costs of employees, (B) the names and industries of the companies the SIC is working with, (C) the volume and type of community engagements or touchpoints including any community events, and (D) any other information that a majority of the Managers agree to distribute.

- (i) Upon future termination of the SIC activities as approved by the Managers, there shall follow a three (3)-year reporting period in which continuing impacts of the SIC's activities during its operation period shall be measured and reported to all parties on a yearly basis within thirty (30) days after the end of each quarterly accounting period in each Fiscal year (other than the last fiscal quarter of the Fiscal Year). The Members agree that a third party may be retained for such services at an annual fee to be determined and approved by the Managers. Such reports shall include key performance indicator data as agreed to by the Managers.

Section 11.02 Inspection Rights. Upon reasonable notice from a Member, the Company shall afford such Member and its Representatives reasonable access during normal business hours to (a) the Company's properties; (b) the corporate, financial and similar records, reports and documents of the Company, including all books and records, minutes of proceedings, internal management documents, reports of operations, reports of adverse developments, copies of any management letters and communications with Members or Managers, and to permit each Member and its Representatives to examine such documents and make copies thereof or extracts therefrom; and (c) any Officers, senior employees and accountants of the Company, and to afford each Member and its Representatives the opportunity to discuss and advise on the affairs, finances and accounts of the Company with such Officers, senior employees and accountants (and the Company hereby authorizes such employees and accountants to discuss with such Member and its Representatives such affairs, finances and accounts); *provided*, that (i) the requesting Member shall bear its own expenses and all reasonable expenses incurred by the Company in connection with any inspection or examination requested by such Member pursuant to this Section 11.02 and (ii) if the Company provides or makes available any report or written analysis for any Member pursuant to this Section 11.02, it shall promptly provide or make available such report or analysis to or for the other Members. All documents of the Company must be retained by the Company for a period of five (5) years following the end of the term.

Section 11.03 Income Tax Status. It is the intent of this Company and the Members that this Company shall be treated as a partnership for U.S., federal, state and local income tax purposes. Neither the Company nor any Member shall make an election for the Company to be classified as other than a partnership pursuant to Treasury Regulations Section 301.7701-3.

Section 11.04 Tax Matters Representative.

- (a) **Appointment; Removal.** The Members hereby appoint the Independent Manager as the "partnership representative" as provided in Code Section 6223(a) (the "**Tax Matters Representative**"). The Tax Matters Representative may resign at any time. The Tax Matters Representative may be removed at any time with the consent of a majority of the Managers. In the event of the resignation or removal of the Tax Matters Representative, a majority of the Managers shall select a replacement Tax Matters Representative.
- (b) **Tax Examinations and Audits.** The Tax Matters Representative is authorized and required to represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by Taxing Authorities, including resulting administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith. The Tax Matters Representative shall have sole authority to act on

behalf of the Company in any such examinations and any resulting administrative or judicial proceedings, and shall have sole discretion to determine whether the Company (either on its own behalf or on behalf of the Members) shall contest or continue to contest any tax deficiencies assessed or proposed to be assessed by any Taxing Authority.

- (c) **US Federal Tax Proceedings.** To the extent permitted by Applicable Law, the Tax Matters Representative shall cause the Company to annually elect out of the partnership audit procedures set forth in Subchapter C of Chapter 63 of the Code as amended by the BBA (the “**Revised Partnership Audit Rules**”) pursuant to Code Section 6221(b). For any year in which Applicable Law does not permit the Company to elect out of the Revised Partnership Audit Rules, then within forty-five (45) days of any notice of final partnership adjustment, the Tax Matters Representative shall cause the Company to elect the alternative procedure under Code Section 6226, and furnish to the Internal Revenue Service and each Member (including former Members) during the year or years to which the notice of final partnership adjustment relates a statement of the Member’s share of any adjustment set forth in the notice of final partnership adjustment.
- (d) **Tax Returns and Tax Deficiencies.** Each Member agrees that such Member shall not treat any Company item inconsistently on such Member’s federal, state, foreign or other income tax return with the treatment of the item on the Company’s return except as required by Applicable Law. Any deficiency for taxes imposed on any Member (including penalties, additions to tax or interest imposed with respect to such taxes and taxes imposed pursuant to Code Section 6226) shall be paid by such Member and if required to be paid (and actually paid) by the Company, shall be recoverable from such Member as provided in Section 6.03(a).
- (e) **Section 754 Election.** The Tax Matters Representative shall make an election under Code Section 754 if requested in writing by a majority of the Managers.
- (f) **Indemnification.** The Company shall defend, indemnify, and hold harmless the Tax Matters Representative against any and all liabilities sustained as a result of any act or decision concerning Company tax matters and within the scope of the Tax Matters Representative’s responsibilities, so long as such act or decision was done or made in good faith and does not constitute gross negligence or willful misconduct.
- (d) **Limitation.** Notwithstanding any other provision of this Section 11.04, any material tax elections by or on behalf of the Company, material changes in tax accounting practices of the Company or material determinations with respect to tax audits or disputes, in each case, that would reasonably be expected to have a disproportionate and materially adverse impact on a Member relative to the other Members, shall be subject to approval by the Managers.

Section 11.05 Tax Returns. At the expense of the Company, the Managers (or any Officer that the Managers may designate pursuant to Section 7.07) shall endeavor to cause the preparation and timely filing (including extensions) of all tax returns required to be filed by the Company pursuant to the Code as well as all other required tax returns in each jurisdiction in which the Company owns property or does business. The Managers or designated Officer shall cause to be delivered

to each Person who was a Member at any time during such Fiscal Year: (a) estimated tax information, within ninety five (95) days after the end of the Fiscal Year of the Company, (b) as soon as reasonably possible after the end of each Fiscal Year of the Company, but in no event later than one hundred and twenty (120) days after the end of each Fiscal Year, IRS Schedule K-1 to Form 1065, and (c) such other information with respect to the Company as may be necessary for the preparation of such Person's federal, state and local income tax returns for such Fiscal Year.

Section 11.06 Company Funds. All funds of the Company shall be deposited in its name, or in such name as may be designated by the Managers, in such checking, savings or other accounts, or held in its name in the form of such other investments as shall be designated by the Managers. The funds of the Company shall not be commingled with the funds of any other Person. All withdrawals of such deposits or liquidations of such investments by the Company shall be made exclusively upon the signature or signatures of such Officer or Officers as the Managers may designate.

Section 11.07 Corporate Transparency Act Compliance.

(a) Capitalized terms used herein and not otherwise defined in this Section 11.07 have the meanings set forth below:

“**Acceptable Identification Document**” means, with respect to a natural Person, one of the following documents validly issued to such Person: (i) a nonexpired U.S. passport issued by the U.S. government; (ii) a nonexpired U.S. state, local government, or Indian tribal identification document issued for the purpose of identifying such Person; (iii) a nonexpired U.S. state-issued driver’s license; or (iv) if such Person does not have any of the documents listed in clauses (i) to (iii), a nonexpired passport issued to such Person by a foreign government.

“**Beneficial Owner**” has the meaning set forth in the CTA.

“**CTA**” means the Corporate Transparency Act (31 U.S.C. § 5336), enacted as part of the National Defense Authorization Act for Fiscal Year 2021, as amended, and the rules and regulations thereunder.

“**CTA Information**” means, with respect to a natural Person: (i) the full legal name of such Person, including any suffix; (ii) their date of birth; (iii) their complete current residential street address, including any apartment or suite number; (iv) a unique identifying number from an Acceptable Identification Document issued to such Person; and (v) an image of such Acceptable Identification Document of sufficient quality that includes: (A) a legible image of such unique identifying number; and (B) a recognizable photograph of such Person.

“**Indirect Owner**” means, with respect to any Entity Member (as defined herein), any natural Person who from time to time, directly or indirectly, owns or controls any Ownership Interest (as defined under the CTA) in the Company through such Entity Member.

(b) Each Member shall promptly, but within not more than five (5) days:

(i) provide to the Company any information that the Company deems necessary or advisable to obtain from such Member in order for the Company or any Person in which the Company holds an interest to comply with the CTA, including: (A) such Member’s, or

with respect to a Member that is not a natural Person (an “**Entity Member**”), each of such Entity Member’s Indirect Owners’, true and correct CTA Information or the true and correct FinCEN Identifier (as defined under the CTA) assigned to them by the Financial Crimes Enforcement Network of the U.S. Department of the Treasury (“**FinCEN**”); and (B) such information or documents as may be necessary in order for the Company or any Person in which the Company holds an interest to determine whether such Member or any of such Member’s Indirect Owners or controllers are Beneficial Owners of the Company or any Person in which the Company holds an interest (collectively, “**Beneficial Ownership Information**”);

- (ii) notify the Company of any change or inaccuracy in or to any of such Member’s, or in the case of an Entity Member, any of such Entity Member’s Indirect Owners’ CTA Information most recently provided to the Company, including: (A) a change in such Member’s or Indirect Owner’s legal name, date of birth, or residential street address; (B) a change in the name, date of birth, address, or unique identifying number on such Member’s or Indirect Owner’s Acceptable Identification Document; or (C) in the case of an Entity Member, as may result from a change in the direct or indirect ownership or control of such Entity Member; and
- (iii) notify the Company of any amendment, modification, supplement, or other change (other than an immaterial change that could not reasonably be expected to affect who may be a Beneficial Owner of the Company or any entity in which the Company holds an interest) in or to any Beneficial Ownership Information previously provided by such Member to the Company.

Article XII. **OPERATIONAL COVENANTS**

Section 12.01 SIC Operations.

(a) Operations Agreements.

- (i) The Accelerator SIC will be operated by an independent operator (“**Accelerator SIC Operator**”) pursuant to the terms of an Operations Agreement to be entered in to between the Company and the Accelerator SIC Operator (the “**Accelerator SIC Operations Agreement**”), within 90 days of the date hereof, in form and substance mutually agreeable to the Initial Members and the Company. The term of the Accelerator SIC Operations Agreement shall be for a term of five (5) years, with an optional five (5) year renewal period.
- (ii) The Studio SIC will be operated by an independent operator (the “**Studio SIC Operator**”) pursuant to that certain Operations Agreement by and between the Company and the Studio SIC Operator (the “**Studio SIC Operations Agreement**”) attached hereto as **Exhibit E**. The term of the Studio SIC Operations Agreement shall be for a term of five (5) years.

(b) Insurance.

- (i) Rowan shall procure and maintain all-risk property insurance for the building and the space granted to the SIC in an amount that provides adequate coverage for any potential loss or damage to the building. The SIC will maintain all-risk property insurance on its contents in the space. Rowan's property insurance will insure any content in the space that is owned by Rowan.
- (ii) Rowan University is an agency of the State of New Jersey. Any agreement signed, or any action, act, failure to act or any other similar undertaking on behalf of the State of New Jersey by a State official shall be subject to all of the provisions of the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.), the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.), and the availability of appropriations.
- (iii) The State of New Jersey does not carry public liability insurance, but the liability of the State and the obligation of the State to be responsible for tort claims against its employees is covered under the terms and provisions of the New Jersey Tort Claims Act. The Act also creates a fund and provides for payment of claims under the Act, including claims alleging professional error and/or omissions, against the State of New Jersey or against its employees for which the State is obligated to indemnify against tort claims, which arise out of the performance of their duties. The obligation and rights set forth in this subsection (iii) shall be available to each of employees of Rowan working at SIC, the Company and SIC, as applicable
- (iv) Rowan University provides statutory workers' compensation protection to its employees in accordance with the New Jersey Workers' Compensation Act (N.J.S.A. 34:15-1 et seq.), which, for the avoidance of doubt,) shall be available to each of employees of Rowan working at SIC. All staff of any other Member working at the SIC must be covered by the professional liability coverage, general liability and workers' compensation insurance of such other Member employer.
- (v) The cost of the insurance provided by Rowan to the SIC may be contributed as part of Rowan's "in-kind" contribution to the Company.

Section 1.01 SIC Funding.

- (a) Over a five (5) year period, Rowan shall make a total of four million eight hundred thousand dollars (\$4,800,000) of Company related investments as follows: (i) two million two hundred fifty thousand dollars (\$2,250,000), payable over the first three (3) years of operations of the Company, to fund operational costs of the Company, such amount to apply to the fee paid to the SIC Accelerator Operator pursuant to the Accelerator SIC Operations Agreement; (ii) two million and two hundred fifty thousand dollars (\$2,250,000) of in-kind contribution for space and staff of the SIC; and (iii) three hundred thousand dollars (\$300,000) for operational costs of the Company. In addition, Rowan shall be responsible for all costs and fees related to the Company in excess of the NJEDA Operations Investment (defined below). All operating costs of the SIC in excess of the Company budget, as described and approved in accordance with Section 7.6 hereto, shall

be borne by Rowan. All such costs described in the preceding two sentences shall not be credited to Rowan's capital account or increase its Membership Interests hereunder.

(b) Over a five (5) year period, NJEDA make a total of nine million five hundred fifty thousand dollars (\$9,550,000) of Company related investments as follows: (i) one million dollars five hundred thousand dollars (\$1,500,000) to fund the Studio Fund; (ii) five million five hundred fifty thousand dollars (\$5,550,000) to fund the Side-Car Fund; (iii) three hundred thousand dollars (\$300,000) for operational costs of the Company; (iv) two million two hundred fifty thousand dollars (\$2,250,000) (the "**NJEDA Operations Investment**")), payable over the first three (3) years of operations of the Company, to fund the operational costs of the Company, such amount to apply to the fee paid to the SIC Accelerator Operator pursuant to the Accelerator SIC Operations Agreement and the Studio SIC Operator pursuant to the Studio SIC Operations Agreement; and (v) in-kind contribution of space to the SIC, described in Section 12.03(b) below. NJEDA will be subject to adherence to certain payment requirements as set forth in the Accelerator SIC Operations Agreement or the Studio SIC Operations Agreement.

Section 1.02 Use of Member Space.

(a) Rowan shall provide the SIC with (i) eight thousand five hundred (8,500) square feet of space in Camden, New Jersey of and (ii) [REDACTED] square feet of space in Glassboro, New Jersey at no additional cost to the Company. The Company and Rowan shall enter into a right of use or lease agreement for such space in substantially in the form attached hereto as **Exhibit B** (the "**Form of Lease Agreement**").

(b) NJEDA, subject to NJEDA Board approval at its sole discretion, shall provide the SIC with up to nine thousand (9,000) square feet of non-exclusive co-working office space in Trenton, New Jersey on terms to be negotiated between the Company and NJEDA. Unless and until the NJEDA Board approves lease or use of the co-working office space in Trenton and the execution of such lease or other right to use agreement, the NNIC program shall operate on a hybrid basis: virtually and in the space leased from Rowan in Camden or Glassboro. In the event the EDA Board does not approve providing the SIC the co-working office space in Trenton, the NJEDA shall have no obligation to provide co-working space to the Company or the SIC. , No chemicals or drug development shall be permitted at the site in Trenton as only co-working and convening space shall be provided at the site in Trenton. The site must be used for the purpose of attempting to accomplish significant developments in the fields of medtech and Maternal and Infant Health.

Section 1.03 Insurance. Throughout the term of this Agreement:

(a) The Company shall procure and maintain professional liability insurance to cover any claims arising from professional services provided by the Company. This insurance shall meet or exceed NJEDA's requirements as communicated in writing to the Company, which initially require that the Company procure professional liability/errors and omissions liability insurance sufficient to protect from any liability arising out of professional

obligations performed pursuant to this Agreement with limits of not less than \$5,000,000 each occurrence and in the aggregate for all operations conducted.

- (b) The Company, or the Members in cases where they are supplying employees to the Company, will maintain workers' compensation insurance as statutorily required by the laws of the State and shall include an endorsement to extend coverage to any State, which may be interpreted to have legal jurisdiction, and employers' liability insurance with limits of no less than \$1,000,000 per accident, \$1,000,000 for disease as the policy limit, and \$1,000,000 for disease per employee. This insurance shall comply with all Applicable Laws and regulations.
- (c) The Company shall maintain such umbrella/excess liability providing limits in addition to, and following form over employers' liability, commercial general liability (including products and completed operations), and automobile liability with limits of no less than \$10,000,000 each occurrence and in the aggregate. If such insurance contains a general aggregate limit, it shall apply separately to the specified premises or project. All endorsements (additional insured, primary non-contributory and waiver of subrogation) will follow the underlying policy form or be endorsed accordingly.
- (d) Notwithstanding Section 12.04(a), to the extent necessary, the Company shall (i) procure and maintain commercial property insurance to cover the contents at each of the MedTech & MIH facilities in an amount equal to 100% of the full replacement cost of the business personal property and tenant improvements and betterments (if applicable) and (ii) provide for protection against the perils insured under the ISO special causes of loss form CP 10 30 00 (or a substitute providing equivalent terms and conditions), including flood and earthquake (if available). Any coinsurance requirement in the policy shall be eliminated through the attachment of an agreed amount endorsement, the activation of an agreed value option, or as is otherwise appropriate under the particular policy form. This insurance shall provide adequate coverage for any potential loss or damage to the Company's property and shall meet the minimum amounts required as advised by NJEDA.
- (e) The Company shall secure and maintain commercial general liability insurance to cover any claims arising from the Company's operations at each of the MedTech & MIH facilities with a limit of not less than \$1,000,000 for each occurrence and \$2,000,000 as the general aggregate limit. Insurance shall be written on an ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising out of, occasioned by, or resulting from: bodily injury including death, property damage, products/completed operations, personal injury, sexual abuse and molestation and advertising injury, premises operations, independent contractors, and liability assumed under an insured contract. Any deductible, or self-insured retention, applicable to the aforementioned insurance shall be written using ISO endorsement CG 03 00 (or a substitute form providing equivalent coverage) which otherwise requires the Company to be responsible for the deductible or retention.
- (f) If dedicated vehicles are needed for Company business, the Company shall maintain automobile liability insurance to cover any owned, hired or non-owned automobiles/vehicles used by the Company or its staff; *provided*, that such obligation shall

be deemed satisfied if such insurance is procured by any Member and the Company is named as an insured party on the policy (including hired and non-owned coverage). Limits of liability for bodily injury and property damage shall not be less than \$1,000,000 combined single limit.

- (g) The Company shall maintain network security/cyber liability insurance with limits of not less than \$5,000,000 each occurrence and in the aggregate which shall include, but not be limited to, coverage for network breach (including breach of the Privacy Act or the Health Insurance Portability and Accountability Act or associated regulations), ransomware and social engineering, privacy liability, network security liability, regulatory liability, breach response costs including data forensics, public relations and privacy counsel and notification, credit monitoring and identity theft restoration costs; provided, that such obligation shall be deemed satisfied if such insurance is procured by any Member and the Company is named as an insured party on the policy (including if Rowan's network is used instead of the Company having its own network).
- (h) The Company shall maintain directors and officers liability insurance, with limits of not less than \$1,000,000 for each occurrence and in the aggregate, providing coverage to past and present directors and officers of the Company for allegations of negligent acts, errors or omissions.
- (i) With regards to the insurance described in Sections 12.04(a) and 12.04(f)-(h), coverage may be provided on a claims-made basis as long as the retroactive date is prior to commencement of work at the site (must be indicated on certificate of insurance) and continuous coverage is maintained, or an extended discovery period exercised for a period of five (5) years beginning from the time the policy is terminated.
- (j) The Company shall name each of the other parties to this Agreement as additional insureds on all insurance policies procured and maintained by the Company in accordance with this Section 12.04 either within the policy form definition of an insured or via endorsement to the policy.
- (k) The Company shall secure and maintain in force, at its own expense, the insurance as described in this Section 12.04 throughout the term of this Agreement. All required insurance shall be provided by insurance companies with an A-VIII or better rating by A.M. Best & Company. All policies must be endorsed to provide thirty (30) days written notice of cancellation or material change to the Members. If the insurer cannot provide thirty (30) days written notice, then it will become the obligation of the Company to provide the same to the Members within forty-eight (48) hours of receipt of notification from their insurance company.
- (l) The Company shall provide the Members with current certificates of insurance for all coverages and applicable renewals thereof. Renewal certificates shall be provided within thirty (30) days of the expiration of the insurance. No work is permitted to begin until evidence of the required insurance is provided. The certificates of insurance shall indicate the contract number or purchase order number and title of the contract in the "Description of Operations" box and shall list the Members in the "Certificate Holder" box. The

certificates and any notice of cancellation shall be mailed to the Members in accordance with Section 13.04.

(m) The Company hereby waives, and shall cause any subcontractors to waive, all rights of subrogation against the Members for recovery of damages to the extent that damage is covered by any insurance policies the Company, or its subcontractor, is required to maintain. The Company agrees, and shall cause its subcontractor to agree, to obtain, at its own cost, any endorsement necessary to provide such a waiver under the applicable insurance coverage.

(n)

Section 1.04 IP Rights. The Company shall have no rights to pre-existing IP of any of the Members or IP developed independently of the Company and any involvement of the other Members. The Company shall have no rights to IP developed by any Member(s) using Company resources (including, but not limited to, Company space, funding, or computing resources), except to the extent expressly provided for in a separate written agreement among the Company and such Member(s). For the avoidance of doubt, absent such a separate written agreement governing research and IP, ownership of IP developed using Company resources shall follow inventorship (for patentable IP) or authorship (for copyrightable IP), as the case may be, and neither the Company nor any Member shall have rights to IP developed by another Member or another Member's personnel solely by virtue of the use of the Company's or other Member's resources (including, but not limited to, space, funding, or computing resources).

Section 1.05 Licenses and Permits. Each Member shall maintain all necessary licenses, permits, approvals, and authorizations required by law to conduct its business and perform its obligations under this Agreement. Each Member further warrants that it shall comply with all terms and conditions of such licenses and permits.

Article II. **DISSOLUTION AND LIQUIDATION**

Section 2.01 Events of Dissolution. The Company shall be dissolved and its affairs wound up only upon the occurrence of any of the following events:

- (a) An election to dissolve the Company made by unanimous consent from the Member Managers;
- (b) The sale, exchange, involuntary conversion, or other disposition or transfer of all or substantially all the assets of the Company;
- (c) The entry of a decree of judicial dissolution under Section 18-802 of the Act; or
- (d) At any time there are no Members, unless the Company is continued in accordance with the Act.

Section 2.02 Effectiveness of Dissolution. Dissolution of the Company shall be effective on the day on which the event described in Section 13.01 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in Section 13.03 and the Certificate of Formation shall have been cancelled as provided in Section 13.04.

Section 2.03 Liquidation. If the Company is dissolved pursuant to Section 13.01, the Company shall be liquidated and its business and affairs wound up in accordance with the Act and the following provisions:

- (a) Liquidator. A Person selected by the Managers, shall act as liquidator to wind up the Company (the “**Liquidator**”). The Liquidator shall have full power and authority to sell, assign, and encumber any or all of the Company’s assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner.
- (b) Accounting. As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company’s assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.
- (c) Distribution of Proceeds. The Liquidator shall liquidate the assets of the Company and distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:
 - (i) *first*, to the payment of all of the Company’s debts and liabilities to its creditors (including Members, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);
 - (ii) *second*, to the establishment of and additions to reserves that are determined by the Liquidator to be reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company; and
 - (iii) *third*, to the Members in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs.
- (d) Discretion of Liquidator. Notwithstanding the provisions of Section 13.03(b) that require the liquidation of the assets of the Company, but subject to the order of priorities set forth in Section 13.03(b), if upon dissolution of the Company the Liquidator reasonably determines that an immediate sale of part or all of the Company’s assets would be impractical or could cause undue loss to the Members, the Liquidator may defer the liquidation of any assets except those necessary to satisfy Company liabilities and reserves, and may, upon approval of a majority of the Managers, distribute to the Members, in lieu of cash, as tenants in common and in accordance with the provisions of Section 13.03(b), undivided interests in such Company assets as the Liquidator deems not suitable for liquidation. Any such distribution in-kind shall be subject to such conditions relating to the

disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operating of such properties at such time. For purposes of any such distribution, any property to be distributed shall be valued at its Fair Market Value as determined by the Liquidator in good faith.

Section 2.04 Cancellation of Certificate. Upon completion of the distribution of the assets of the Company as provided in Section 13.03(b) hereof, the Company shall be terminated and the Liquidator shall cause the cancellation of the Certificate of Formation in the Division of Revenue and Enterprise Services of the Department of the Treasury and of all qualifications and registrations of the Company as a foreign limited liability company in jurisdictions other than the State and shall take such other actions as may be necessary to terminate the Company.

Section 2.05 Survival of Rights, Duties and Obligations. Dissolution, liquidation, winding up or termination of the Company for any reason shall not release any party from any loss that at the time of such dissolution, liquidation, winding up or termination already had accrued to any other party or thereafter may accrue in respect of any act or omission prior to such dissolution, liquidation, winding up or termination.

Section 2.06 Recourse for Claims. Each Member shall look solely to the assets of the Company for all distributions with respect to the Company, such Member's Capital Account, and such Member's share of Net Income, Net Loss and other items of income, gain, loss and deduction, and shall have no recourse therefor (upon dissolution or otherwise) against the Liquidator or any other Member.

Article III. MISCELLANEOUS

Section 3.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with the preparation and execution of this Agreement, or any amendment or waiver hereof, and the transactions contemplated hereby shall be paid by the respective party incurring such costs and expenses; provided, that all Members shall equally share the initial organizational expenses of the Company including reasonable legal fees for the drafting and finalization of this Agreement.

Section 3.02 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Member hereby agrees, at the request of the Company or any other Member, to execute and deliver such additional documents, instruments, conveyances and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section 3.03 Confidentiality.

- (a) Each Member acknowledges that during the term of this Agreement, it shall have access to and may become acquainted with trade secrets, proprietary information and confidential information belonging to the Company, its Affiliates and the other Members that are not generally known to the public, including, but not limited to, information concerning

business plans, financial statements and other information provided pursuant to this Agreement, operating practices and methods, expansion plans, strategic plans, marketing plans, contracts, customer lists or other business documents that the Company treats as confidential, in any format whatsoever (including oral, written, electronic or any other form or medium) (collectively, “**Confidential Information**”). In addition, each Member acknowledges that: (i) the Company has invested, and continues to invest, substantial time, expense and specialized knowledge in developing its Confidential Information; (ii) the Confidential Information provides the Company with a competitive advantage over others in the marketplace; and (iii) the Company and the other Members would be irreparably harmed if the Confidential Information were disclosed to competitors or made available to the public. Without limiting the applicability of any other agreement to which any Member is subject, no Member shall, directly or indirectly, disclose or use (other than solely for the purposes of such Member monitoring and analyzing its investment in the Company) at any time, including use for personal, commercial or proprietary advantage or profit, either during its association with the Company or thereafter, any Confidential Information of the Company or of another Member of which such Member is or becomes aware. Each Member in possession of Confidential Information shall take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss and theft.

- (b) Nothing contained in Section 14.03(a) shall prevent any Member from disclosing Confidential Information: (i) upon the order of any court or administrative agency; (ii) upon the request or demand of any regulatory agency or authority having jurisdiction over such Member; (iii) to the extent compelled by legal process or required or requested pursuant to subpoena, interrogatories or other discovery requests; (iv) as required under any law including the New Jersey Open Public Records Act (N.J.S.A. 47:1A-1 *et seq.*), the New Jersey Open Public Meetings Act (N.J.S.A. 10:4-6 *et seq.*), New Jersey record retention laws (N.J.S.A. 52:15C-14), and any other New Jersey laws, (v) to the extent necessary in connection with the exercise of any remedy hereunder; (vi) to the other Members (except for Confidential Information pertaining to another Member); (vii) to such Member’s Representatives who, in the reasonable judgment of such Member, need to know such Confidential Information and agree to be bound by the provisions of this Section 14.03 as if a Member; or (viii) to any potential Permitted Transferee in connection with a proposed Transfer of Membership Interests from such Member, as long as such Transferee agrees to be bound by the provisions of this Section 14.03 as if a Member (except for Confidential Information pertaining to another Member); *provided*, that in the case of clause (i), (ii), (iii), (iv) or (viii) such Member shall notify the Company and other Members of the proposed disclosure as far in advance of such disclosure as practicable (but in no event make any such disclosure before notifying the Company and other Member) and use reasonable efforts to ensure that any Confidential Information so disclosed is accorded confidential treatment satisfactory to the Company or the other Members, as applicable, when and if available.
- (c) The restrictions of Section 14.03 shall not apply to Confidential Information that: (i) is or becomes generally available to the public other than as a result of a disclosure by a Member in violation of this Agreement; (ii) is or has been independently developed or conceived by such Member without use of Confidential Information; or (iii) becomes available to such

Member or any of its Representatives on a non-confidential basis from a source other than the Company, the other Member or any of their respective Representatives; *provided*, that such source is not known by the receiving Member to be bound by a confidentiality agreement regarding the Company.

Section 3.04 Press Release. Notwithstanding anything to the contrary herein, the parties hereby agree to collaborate in the issuance of a joint press release that shall announce, in general terms, the relationship and objectives established by this Agreement. The following terms shall govern the issuance of such a press release:

- (a) The parties shall work together to draft and issue a joint press release that accurately reflects the nature and goals of their relationship as memorialized in this Agreement.
- (b) The final version of the joint press release must be reviewed and approved by all parties involved. No press release shall be publicly issued without the explicit consent and agreement of all parties.
- (c) The joint press release may only be made public once all parties have given their consent and agreement to the final content..

Section 3.05 Use of Names, Trademarks, and Logos. Each of the Members hereby agrees to receive the consent of a Member (or its Manager) before using such Member's or its Affiliates respective names, trademarks, and logos. If a Manager of a Member requests it, a Member shall provide the necessary requirements and obtain approval for the use of their and their Affiliates respective names, trademarks, and logos in any joint press release. This ensures that all branding elements are used appropriately and in accordance with each Member's guidelines.

Section 3.06 Compliance with Laws.

- (a) The Managers and the Members each by itself and on behalf of the Company, acknowledge that: (i) the Managers may be required by N.J.S.A. 19:44A-20.27 (L. 2005, c. 271) and regulations promulgated thereunder to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission; (ii) it is the responsibility of the Managers to determine whether such filing is necessary; and (iii) failure to make such filing, if required, can result in the imposition of financial penalties by the New Jersey Election Law Enforcement Commission.
- (b) In connection with the operation of the SIC and the Company, each Member shall comply with all Applicable Laws (including applicable federal, state, and local laws, statutes, ordinances, rules, and regulations), including, but is not limited to, (i) compliance with all relevant industry standards and regulatory requirements and (ii) regulations regarding non-discrimination and contractor and supplier diversity, including adherence to laws and policies that promote equal opportunity and prohibit discrimination based on race, color, religion, sex, national origin, age, disability, or any other protected characteristic and, to the extent legally permissible, each Member shall also take affirmative steps, to the extent required or permitted by Applicable Laws, to ensure diversity among its contractors and suppliers.

Section 3.07 Survival.

- (a) The provisions of ARTICLE X shall survive the dissolution, liquidation, winding up and termination of the Company.
- (b) The obligations of each Member or former Member under Sections 11.04, 14.03, 14.05 and 14.06 shall survive (i) the termination, dissolution, liquidation and winding up of the Company, (ii) the withdrawal of such Member from the Company, and (iii) such Member's Transfer of its Membership Interests.

Section 3.08 [Intentionally Omitted.]

Section 3.09 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third (3rd) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent: If to a Member or Manager, to such Member's or Manager's respective mailing address as set forth on the Members Schedule or Managers Schedule, as applicable (or at such other address for a party as shall be specified in a notice given in accordance with this Section 14.09).

Section 3.10 Headings. The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision of this Agreement.

Section 3.11 Severability. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under Applicable Law 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. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 3.12 Entire Agreement. This Agreement, together with the Certificate of Formation and all related Exhibits and Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

Section 3.13 Successors and Assigns. Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. This Agreement may not be assigned by any Member except as permitted by this Agreement and any assignment in violation of this Agreement shall be null and void.

Section 3.14 No Third-Party Beneficiaries. Except as provided in Article X, which shall be for the benefit of and enforceable by Covered Persons as described therein, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors and assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 3.15 Amendment. No provision of this Agreement may be amended or modified except by an instrument in writing executed by the Company and all of the Member Managers. Any such written amendment or modification shall be binding upon the Company and each Member. Notwithstanding the foregoing, amendments to the Members Schedule and the Managers Schedule may be made by the Managers in accordance with Section 3.01 and Section 7.02.

Section 3.16 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, 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. For the avoidance of doubt, nothing contained in this Section 14.16 shall diminish any of the explicit and implicit waivers described in this Agreement, including in Section 14.14 hereof.

Section 3.17 Governing Law. Except to the extent required by law, this Agreement shall be governed by the laws of the State of New Jersey without regard to its conflict of laws principles. Notwithstanding anything herein to the contrary, all tort claims against NJEDA shall be governed by the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 *et seq.*, and all contract claims against NJEDA shall be governed by the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 *et seq.* All agreements regarding the Company, except this Agreement, shall be governed by the laws of the State of New Jersey. The parties to all such agreements shall agree to irrevocably submit to exclusive jurisdiction and venue in the Superior Court of Mercer County in New Jersey with respect to any action, claim, or other legal proceeding. The authority and powers of NJEDA are and shall be governed by the provisions of the New Jersey Economic Development Authority Act (New Jersey Statutes Annotated 34:1B-1 *et seq.*; P.L. 1974, c80, as amended and supplemented) and shall be construed in accordance with New Jersey law. The Members acknowledge that NJEDA reserves all immunities, defenses, rights and actions arising out of its status as a sovereign state or entity, including those under the Eleventh Amendment of the United States Constitution and the laws and Constitution of the State of New Jersey. No waiver of any such immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of NJEDA entering into this Agreement or any agreement related thereto (collectively, the “**Subject Agreements**”), by any express or implied provision thereof, or by any actions or omissions to act by NJEDA or any representative or agent of NJEDA, whether taken or omitted to be taken pursuant to any Subject Agreement or prior to the entry by NJEDA into any Subject Agreement. Nothing contained herein, however, shall relieve NJEDA of any obligation it may have under this Agreement to contribute capital or return distributions.

Section 3.18 Dispute Resolution. In the event of a dispute arising in connection with this Agreement, the Company or the SIC, the parties agree to first attempt to resolve the matter through good faith discussions between senior leaders of each party. Each party shall designate a senior leader who has the authority to resolve the dispute. These discussions shall commence within ten (10) business days of a written notice of the dispute being provided by one party to the other party or parties. If the dispute is not resolved through initial discussions within thirty (30) days of the commencement of such discussions, the parties agree to proceed to mediation. The mediation shall be conducted by a neutral third-party mediator mutually agreed upon by the parties. The mediation shall take place within sixty (60) days of the failure to resolve the dispute through initial discussions. The costs of the mediation shall be shared equally by the parties, unless otherwise agreed. If the dispute remains unresolved after mediation, the parties agree to participate in non-binding mediation before a mediator agreed upon by the parties. The non-binding mediation shall be conducted within ninety (90) days of the failure to resolve the dispute through the initial mediation. The mediator shall provide a recommended resolution, but such recommendation shall not be binding on the parties. The costs of the non-binding mediation shall be shared equally by the parties, unless otherwise agreed. If the dispute is not resolved through the non-binding mediation, the parties may pursue any other legal or equitable remedies available to them under Applicable Law. However, the parties agree that they shall not initiate any legal proceedings until the dispute resolution process outlined above has been fully exhausted, except where immediate injunctive relief is necessary to prevent irreparable harm. All parties hereby agree that, in case of the initiation and submission to legal proceedings, they irrevocably submit to exclusive jurisdiction and venue in the Superior Court of Mercer County in New Jersey with respect to any action, claim, or other legal proceeding. For the avoidance of doubt, notwithstanding anything else herein to the contrary, the parties may agree by mutual written consent to amend any of the time periods mentioned in this Section 14.18.

Section 3.19 Waiver of Jury Trial. Each party hereto hereby acknowledges and agrees that any controversy that may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 3.20 Equitable Remedies. Each party hereto acknowledges that a breach or threatened breach by such party of any of such party's obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

Section 3.21 Attorneys' Fees. In the event that any party hereto institutes any legal suit, action or proceeding, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement, the prevailing party in the suit, action or proceeding shall not be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such

party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs, unless permitted by law.

Section 3.22 Remedies Cumulative. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise, except to the extent expressly provided in Section 10.02 to the contrary.

Section 3.23 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

THE MEMBERS:

**NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Name:
Title:

THE COMPANY:

NJ MEDNEO LLC

By: _____
Name:
Title:

ROWAN UNIVERSITY

By: _____
Name:
Title:

EXHIBIT A
FORM OF JOINDER AGREEMENT

This Joinder Agreement (the “**Agreement**”) is made and entered into as of _____, _____, by and between the undersigned new member (the “**New Member**”) and NJ MEDNEO LLC, a New Jersey limited liability company (the “**Company**”).

RECITALS

WHEREAS, the Company is governed by that certain Limited Liability Company Agreement dated as of _____, _____ (as amended or restated, the “LLC Agreement”);

WHEREAS, the New Member desires to become a member of the Company and to be bound by the terms and conditions of the LLC Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Joinder to LLC Agreement.** The New Member hereby agrees to become a party to, and to be bound by, all of the terms and conditions of the LLC Agreement as if the New Member were an original signatory thereto. The New Member acknowledges that they have received a copy of the LLC Agreement and have reviewed its terms and conditions.
2. **Acknowledgment of Membership Interest.** The Company hereby acknowledges that the New Member has been admitted as a member of the Company as of the date hereof and that the New Member’s membership interest in the Company shall be as set forth in the books and records of the Company.
3. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey, without regard to its conflict of laws principles.

IN WITNESS WHEREOF, the parties hereto have executed this Joinder Agreement as of the day and year first above written.

(New Member Name)

By: _____
Name: _____
Title: _____

NJ MEDNEO LLC

By: _____
Name: _____
Title: Authorized Person

EXHIBIT B

FORM OF LEASE AGREEMENT

(see attached)

EXHIBIT C

Commitment & Reporting Requirements

Reports to include:

- NJ MedTech & Maternal Infant Health SIC overview and development
- Upcoming list of activities and programs
- Identify risks and plans to mitigate such risks
- Summary of program results and metrics, including:
 - At the end of each batch:
 - Applicant volume and acceptance rate
 - Participation report
 - NJ MedTech & Maternal Infant Health SIC graduate volume
 - Longevity report showing the longevity of the companies that have gone through the programs and are still operating after 3, 5 and 10 years (only applicable so long as the Accelerator Term has not been terminated or expired)
 - Mentorship network
 - 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
 - Funding raised by portfolio companies (e.g., grants, venture capital)
 - Media coverage of activity and events
 - At the end of each quarter:
 - Financial report providing a financial overview of the NJ MedTech & Maternal Infant Health SIC including revenue generated, expenses and financial goals and targets
 - Participant Company failure rate (starting in Year 3)
 - Participant Company success story highlighting notable achievements or milestones reached by participating companies

- Feedback report to include feedback from Participant Companies, mentors and investors on the program including strengths and weaknesses, area for improvement and suggestions for future programs to the extent such Participant Companies, mentors and investors participate in such feedback.
- MedTech and MIH related jobs created in the State of New Jersey State from Participant Companies, if the Participant Company provides such information to operator.
- MedTech and MIH startups that moved to the State of New Jersey to participate in the NJ MedTech & Maternal Infant Health SIC, if the Participant Company provides such information to operator.
- DEI and ESG initiatives success report through a variety of metrics including representation, retention, pay equity, employee engagement, supplier diversity and co-investments, environmental, social and governance metrics, if the Participant Company provides such information to operator.
- Thought leadership activity via events, web visits, web blogs, YouTube, social media & podcasts.
- Annually, the operator shall provide audited financials prepared by a qualified accounting firm approved by the Board of Directors.
- Any other material information required by NJEDA showing operator is compliant with the program requirements of the NJ MedTech & Maternal Infant Health SIC.

EXHIBIT D
OPEX Budget

MEDNEO
LLC

		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
NJEDA							
	ACCELERATOR / OPERATOR	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00	-	-	\$ 2,250,000.00
	UTILITIES	-	-	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 300,000.00
ROWAN							
	ACCELERATOR / OPERATOR	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00	-	-	\$ 2,250,000.00
	OPERATING EXPENSES	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 2,250,000

EXHIBIT E

Studio SIC Operations Agreement

(see attached)

SCHEDULE A
MISSION STATEMENT
(see attached)

SCHEDULE B
MEMBERS SCHEDULE

Member Name	Member Address	Total Capital Commitment	Total Cash Contribution	Total In-Kind Contribution	Membership Interest
New Jersey Economic Development Authority	36 West State Street Trenton, New Jersey 08608	\$9,550,000	\$9,550,000	\$0.00	50%
Rowan University	201 Mullica Hill Road Glassboro, New Jersey 08028	\$4,800,000	\$2,550,000	\$2,250,000	50%
Total:		\$15,350,000	\$12,100,000	\$2,500,000	100%

Member Name	Roles and Responsibilities
New Jersey Economic Development Authority	<p>Commit up to \$9,550,000 in funding for investment and operations over a five (5)-year term.</p> <p>Promote the initiative through State and federal-level marketing and outreach.</p> <p>Provide access to resources like workforce development programs and tax incentives and other NJEDA innovation programs.</p> <p>Participate in the governance of the SIC</p>
Rowan	1) Fit out physical space for SIC programming on or near Rowan's campus.

	<ul style="list-style-type: none">2) Provide funding support, either cash or in-kind, for SIC operations, as delineated in Article XII.3) Hire and supervise the Executive Director of the SIC.4) Encourage engagement with SIC programming among faculty, staff, and students.5) Engage with the New Jersey higher education community to foster effective MedTech and MIH education and training at scale.6) Promote SIC events and, subject to availability and Rowan policies, provide space for larger SIC convenings.
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SCHEDULE C
MANAGERS SCHEDULE

Manager Name	Manager Address
	36 West State Street, Trenton, New Jersey 08608

Independent Manager Name	Independent Manager Address
Independent Manager – To Be Approved by the Managers (in accordance with Section 7.02(a))	To Be Updated by the Independent Manager

Appendix B-1

Plug and Play New Jersey Fund I, L.P.
440 N. Wolfe Road
Sunnyvale, CA 94085

RE: PLUG AND PLAY NEW JERSEY FUND I, L.P. AMENDMENT TO SUBSCRIPTION AGREEMENT

Ladies and Gentlemen:

This letter is being written in connection with the Subscription Agreement and Investor Questionnaire, dated August 28, 2024 (the “*Subscription Agreement*”) for **NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY** (the “*Investor*”), in connection with the Investor’s limited partnership interest in **PLUG AND PLAY NEW JERSEY FUND I, L.P.** (the “*Fund*”). Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Fund’s Amended and Restated Limited Partnership Agreement dated August 28, 2024, as may be further amended from time to time (the “*Fund Agreement*”).

Pursuant to paragraph 21 of the Subscription Agreement and in amendment of the Subscription Agreement pursuant to paragraph 21 thereof, the Investor hereby (i) subscribes for an increase of its Capital Commitment (as defined in the Subscription Agreement) to the Fund from \$10,000,000 to \$25,500,000 effective as of the date hereof (the “*Increased Commitment*”), (ii) agrees the Increased Commitment is subject to the terms of the Fund Agreement and the Subscription Agreement, (iii) agrees to make capital contributions to the Fund with respect to the Increased Commitment in accordance with the terms set forth in the Fund Agreement, and (iv) confirms the representations, warranties and covenants contained in the Subscription Agreement are complete and accurate as of the date hereof with respect to the Increased Commitment and may be relied upon by the Fund, PNP New Jersey Fund GP I, LLC (the “*General Partner*”), and Fund Counsel (as defined in the Subscription Agreement). If in any respect such information shall not be complete and accurate prior to the time of closing, the Investor shall give immediate notice of such incomplete or inaccurate information to the General Partner, specifying which representations or warranties are not complete and accurate and the reasons therefor. In the event of any conflict between the terms contained in this letter and the Fund Agreement or the Subscription Agreement, this letter shall govern. Subject to the terms hereof and of the Subscription Agreement, the Investor’s obligation to pay for the Interest being purchased by the Investor hereunder shall be unconditional, complete and binding as of the date that this letter (having been also signed by the Investor) has been accepted by the General Partner.

The parties agree that this letter constitutes an amendment to the Subscription Agreement pursuant to paragraph 21 thereof. Except as set forth herein, all of the terms and conditions of the Subscription Agreement shall continue in full force and effect following the execution of this letter. This letter may be executed in any number of original, facsimile, DocuSign or other counterparts and, when so executed, all of such counterparts shall constitute a single instrument binding upon all parties hereto notwithstanding that all parties are not signatory to the original or facsimile or to the same counterpart.

Sincerely,

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

By: _____

Name: Tim Sullivan

Title: CEO

ACCEPTED and AGREED:

PNP NEW JERSEY FUND GP I, LLC
(for itself as General Partner of the Fund
and on behalf of the Fund)

Saeed Amidhozour, Manager

Date: _____, 2025

PLUG AND PLAY NEW JERSEY FUND I, L.P.

**AMENDMENT TO
AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT**

THIS AMENDMENT (the “*Amendment*”) to the Amended and Restated Limited Partnership Agreement, dated August 28, 2024, as amended and/or restated from time to time (the “*Agreement*”) of Plug and Play New Jersey Fund I, L.P., a Delaware limited partnership (the “*Partnership*”) is made and entered into as of _____, 2025 by and among PNP New Jersey Fund GP I, LLC, a Delaware limited liability company (the “**General Partner**”) and the undersigned Limited Partners. Capitalized terms not otherwise defined herein shall have the same meaning as in the Agreement.

RECITALS

WHEREAS, the General Partner and a Majority in Interest of the Limited Partners (collectively, the “*Parties*”), desire to take the actions set forth herein to revise the purpose of the Partnership.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in accordance with the Agreement, the Parties do hereby take the following action:

1. Amendment to Paragraph 1.2. In accordance with paragraph 15.11(a) of the Agreement, paragraph 1.2 of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“1.2 Purpose. The primary purpose of the Partnership is to ensure the operation of the accelerator program called “NJ FAST powered by Plug and Play” (the “*NJ FAST powered by Plug and Play Program*”) and investment in companies associated with: the NJ MedNeo accelerator program, the NJ AI Hub accelerator program, and the NJ FAST powered by Plug and Play Program (the “*Programs*”; the Partnership’s purpose, the “*Primary Purpose*”). As support for the ~~NJ FAST powered by Plug and Play Program~~Primary Purpose, the Partnership shall provide a limited number of select investors, including the Founding Limited Partner, with the opportunity to realize long-term appreciation, generally from strategic venture capital investments in equity or equity-oriented Securities (which may include SAFEs and convertible notes) in technology companies that are: (A) either (ai) that are graduates from (a) the *Programs*, or (b) ii) that are in the Fintech, and Insurtech, Artificial Intelligence (AI), Medtech, or Maternal and Infant Health industries, provided that such companies can demonstrate a connection to at least one of the Programs—examples of such connection include, but are not limited to, mentoring the Programs’ startup companies and participating in the Programs’ events; and (B) maintain their Principal Business Operations in New Jersey and either (i) located in New Jersey, or (ii) have participated in other accelerator programs operated by the Operator or in which the Operator or the General Partner have invested and such companies move seventy five percent (75%) of their full time equivalent positions (which shall mean that each such employee works 35 hours or more per week for such technology companies) to New Jersey; provided that technology companies qualifying under either clauses (b)(i) or (b)(ii) must demonstrate a connection to the NJ FAST powered by Plug and Play Program—examples of such connection include, but are not limited to, mentoring NJ FAST powered by Plug and Play Program startup companies and participating in NJ FAST powered by Plug and Play Program events (such companies under clause (b)(ii), the “Relocated Companies”).

“Medtech” means and encompasses a wide range of technologies used in healthcare settings, including medical devices, diagnostics, digital health solutions, and telemedicine platforms.

Medtech applies scientific knowledge and engineering skills to develop innovative solutions that enhance healthcare practices.

"Maternal and Infant Health" means and encompasses the well-being of women during pregnancy, childbirth, and the postpartum period, as well as the health of infants from birth to their first year of life.

"Fintech" means and encompasses a wide range of technologies used in startups that may be of interest to banks and/or credit unions and impact the financial services industry (e.g. through (1) financial infrastructure such as payments, open banking, loan origination, underwriting, RPA, embedded fintech, etc. and (2) financial sustainability such as financial resilience, wealth management/transfer, student debt, mortgages, etc.).

"Insurtech" means and encompasses a wide range of technologies used in startups that may be of interest to insurance companies and impact product innovation in the insurance industry (e.g. automation, user experience, growth and distribution, cost reduction, etc.) and address insurance coverage distribution for new forms of risks (e.g. new forms of risk created by new technologies – e.g., ridesharing insurance).

"Artificial Intelligence (AI)" means and encompasses a wide range of technologies used in the practical application of machine intelligence to create measurable business value – e.g. technologies that automate decisions, augment human capabilities, enable new software and hardware products, enable new services, and enable new business models – and enabling technologies related to AI (e.g. software technology improving energy storage).

"Principal Business Operations" means any of the following: (1) at least fifty percent (50%) of the business's employees not primarily engaged in retail sales reside in New Jersey; (2) at least fifty percent (50%) of the business's payroll for employees not primarily engaged in retail sales is paid to individuals living in the New Jersey; (3) at least fifty percent (50%) of the business's full-time employees not primarily engaged in retail sales are filling a position in New Jersey; (4) at least fifty percent (50%) of the business's payroll for employees not primarily engaged in retail sales is paid to full-time employees filling a position in New Jersey; or (5) the business's Headquarters is located in the New Jersey, and of all states, the largest percentage of the business's full-time employees, who are based in the United States and are not primarily engaged in retail sales, is located in New Jersey. "Headquarters" means the single location in which the chief executive officer, chief operating officer, or other high-level officers of a business directs, controls, and coordinates the activities of the business.

Subject to the preceding sentence **sentences here in Paragraph 1.2**, the general purposes of the Partnership are to buy, sell, hold, and otherwise invest in Securities of every kind and nature and rights and options with respect thereto, including, without limitation, stock, notes, bonds, debentures and evidence of indebtedness; to exercise all rights, powers, privileges, and other incidents of ownership or possession with respect to Securities held or owned by the Partnership; to enter into, make, and perform all contracts and other undertakings; and to engage in all activities and transactions as may be necessary, advisable, or desirable to carry out the foregoing. The Limited Partners acknowledge and agree that the Partnership intends to pursue a venture capital strategy. The Limited Partners acknowledge that the venture capital strategy of investing in technology companies typically requires a lengthy period holding onto the Securities before long-term appreciation can be realized, and there is no guarantee of appreciation."

2. Amendment to Paragraph 2.1. In accordance with paragraph 15.11(a) of the Agreement, paragraph 2.1 of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“2.1 Term. The term of the Partnership commenced upon the date of the filing of the Certificate of Limited Partnership of the Partnership with the office of the Secretary of State of the State of Delaware (the “Commencement Date”) and shall continue until the ~~tenth~~**twelfth** (~~12th~~) anniversary of the Initial Closing Date (the “Termination Date”), unless extended pursuant to paragraph 10.1 or sooner dissolved as provided in paragraph 10.2.”

3. Amendment to Paragraph 3.2 (b). In accordance with paragraph 15.11(a) of the Agreement, paragraph 3.2 (b) of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“(b) Notwithstanding paragraph 3.2(a), one or more Persons may be admitted to the Partnership as additional Limited Partners (“**Additional Partners**”) or existing Partners may increase their Capital Commitments (such existing Partners are referred to herein as Additional Partners for purposes of this Agreement to the extent of such Capital Commitment increase) with the consent of only the General Partner on or before the date eighteen (18) months following the Initial Closing Date (the “**Final Closing Date**”); *provided that* after such admission (or Capital Commitment increase), the amount of aggregate capital committed to the Partnership and any Parallel Funds by all limited partners (i.e., excluding the commitments of the General Partner and any of its Affiliates) does not exceed ~~twenty five million dollars (\$25,000,000)~~**fifty million dollars (\$50,000,000)**. For purposes of this Agreement, “**Initial Closing Date**” shall mean the date of admission of any Limited Partner, other than the Initial Limited Partner.”

4. Amendment to Paragraph 4.5(b). In accordance with paragraph 15.11(a) of the Agreement, paragraph 4.5(b) of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“(b) In the event that prior to the earlier to occur of the ~~fifth~~**seventh** (~~7th~~) anniversary of the Initial Closing Date and the date the Partnership is Fully Invested (as defined in paragraph 8.3(a)), (i) Saeed Amidhozour (1) is no longer a manager of the General Partner, (2) is no longer active in the affairs of the General Partner or (3) fails to fulfill his time obligations described in the first sentence of paragraph 8.3(a) or (ii) the General Partner or the Operator materially breach their obligations related to the ~~NJ FAST~~ powered by **Plug and Play Programs** and have not cured such breach within ninety (90) days following notice from the Founding Limited Partner (each, a “**Suspension Event**”), a Suspension Period shall commence as of the date of such Suspension Event.”

5. Amendment to Paragraph 6.1 (b). In accordance with paragraph 15.11(a) of the Agreement, paragraph 6.1(b) of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“(b) The Management Fee for each Fee Date (prior to the adjustment described in paragraph 6.1(c)) shall be an amount equal to the aggregate Capital Commitments of all Limited Partners other than the Founding Limited Partner as of the first day of each such quarter multiplied by either: (i) 0.50% (i.e., 2.0% annually) from the Initial Closing Date through the ~~fifth~~**seventh** (~~7th~~) anniversary of the Initial Closing Date (i.e., the expiration of the Investment Period), (ii) 0.375% (i.e., 1.50% annually) from the ~~fifth~~**seventh** (~~7th~~) anniversary of the Initial Closing Date through the ~~eighth~~**tenth** (~~10th~~) anniversary of the Initial Closing Date, or (iii) 0.25% (i.e., 1.0% annually)

from the ~~eighth~~tenth (10th) anniversary of the Initial Closing Date through the ~~tenth~~twelfth (12th) anniversary of the Initial Closing Date. Notwithstanding the foregoing, (1) the Management Fee for each of the Partnership's first and last fiscal quarters shall be proportionately reduced based upon the ratio of the number of days in each such period bears to ninety (90) (as applicable), (2) the Management Fee within any calendar quarter may change to reflect the appropriate fee percentage to be applied to the Capital Commitments of all Limited Partners other than the Founding Limited Partner (as described in the immediately preceding sentence), (3) an additional Management Fee shall be payable upon the date of admission or increase in Capital Commitment of any Additional Partner other than the Founding Limited Partner to reflect the increased Capital Commitments calculated as if such Additional Partner had been admitted to the Partnership as of the Initial Closing Date with a Capital Commitment equal to such Additional Partner's Capital Commitment immediately following such admission or increase, and (4) no Management Fee shall be payable following the tenth anniversary of the Initial Closing Date unless approved by a Majority in Interest of the Limited Partners."

6. Amendment to Paragraph 8.4 (a). In accordance with paragraph 15.11(a) of the Agreement, paragraph 8.4(a) of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

"(a) Without the consent of the Advisory Committee, no more than twenty percent (20%) of the Partnership's Committed Capital (determined on a cost basis at the time of investment) may be invested in the Securities of any single Portfolio Company ~~the Relocated Companies~~."

7. Amendment to the Index of Defined Terms. In accordance with paragraph 15.11(a) of the Agreement, and in connection with the aforementioned amendments, the Index of Defined Terms of the Agreement is hereby amended and restated in its entirety with the Term "Relocated Company" and its reference to Paragraph Number "1.2" deleted from the Index of Defined Terms of the Agreement.

8. Amendment to Paragraph 14.11. In accordance with paragraph 15.11(a) of the Agreement, paragraph 14.11 of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

"14.11 Investment Period. Except as it may be suspended or extended pursuant to paragraph 4.5, the Investment Period shall mean the period beginning on the Initial Closing Date and terminating upon the ~~fifth (5th)~~seventh (7th) anniversary of the Initial Closing Date."

9. Miscellaneous.

(a) The General Partner is hereby authorized to amend and restate the Agreement in its entirety as necessary to incorporate the terms and conditions set forth in this Amendment.

(b) Except as set forth herein, all of the terms and conditions of the Agreement shall continue in full force and effect following the execution of this Amendment.

(c) This Amendment may be executed in any number of original, PDF or facsimile counterparts and, when so executed, all of such counterparts shall constitute a single instrument binding upon all parties hereto notwithstanding that all parties are not signatory to the original, PDF or facsimile or to the same counterpart.

(d) This Amendment shall be effective upon the execution hereof by the General Partner and a Majority in Interest of the Investors of the Partnership.

Appendix B-2

(e) In the event any provision of this Amendment is determined to be invalid or unenforceable, such provision shall be deemed severed from the remainder of this Amendment and replaced with a valid and enforceable provision as similar in intent as reasonably possible to the provision so severed, and shall not cause the invalidity or unenforceability of the remainder of this Amendment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this **AMENDMENT** is effective as of the date first written above.

GENERAL PARTNER:

PNP NEW JERSEY FUND GP I, LLC

LIMITED PARTNER:

(Print name of investing entity)

By: _____

Name: Saeed Amidhozour

Title: Manager

By: _____

(signature)

Name: _____

(print name)

Title: _____

PNP NEW JERSEY FUND GP I, LLC

**AMENDMENT TO
LETTER AGREEMENT**

THIS AMENDMENT (the “*Amendment*”) to the Letter Agreement, dated August 28, 2024, as amended and/or restated from time to time (the “*Agreement*”) is made and entered into as of _____, 2025 by and among PNP New Jersey Fund GP I, LLC, a Delaware limited liability company (the “*General Partner*”) and the New Jersey Economic Development Authority (the “*Investor*”). Capitalized terms not otherwise defined herein shall have the same meaning as in the Agreement.

RECITALS

WHEREAS, the General Partner and Investor (collectively, the “*Parties*”), desire to take the actions set forth herein to revise the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in accordance with the Agreement, the Parties do hereby take the following action:

1. Amendment to Paragraph 2. In accordance with paragraph 33(b) of the Agreement, paragraph 2 of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“2. Investments in New Jersey-Based Businesses and Allocation of Investors’ Capital Contribution

(a) The General Partner will report to the Investor, not less often than quarterly, regarding the General Partner’s efforts to identify New Jersey-based businesses for deal origination by the Partnership, including its ongoing outreach efforts in New Jersey to identify New Jersey firms for investment, the origin of referrals, and the nature of any gaps or problems in identifying New Jersey businesses for possible investment. Such reports to the Investor will include such other information as may be reasonably requested by the Investor, including information regarding the number and nature of New Jersey-based investments considered and consummated by the Partnership, the life cycle stage of such investments, and the estimated number of jobs created in New Jersey from consummated investments by the Partnership (to the extent such an estimate can be reasonably determined).

(b) Additionally, the General Partner will cause the Partnership to report, not less often than annually, on diversity and inclusion with respect to the Partnership’s consummated Portfolio Investments to the extent Portfolio Company diversity and inclusion statistics or policies are reasonably available. The General Partner shall cause the Partnership to provide such information, on the form provided by the Investor to the General Partner, to each portfolio company of the Partnership to complete in order to compile the information called for by this paragraph; provided, however that the Investor acknowledges and understands that the completion of this form by each such portfolio company shall be voluntary.

(c) The General Partner shall invest the Investor’s Capital Contribution such that no more than \$10 million is invested in Fintech/Insurtech as defined in the Amended and Restated Limited Partnership Agreement, dated August 28, 2024, as amended and/or restated from time to time (the “LPA”), no more than \$10 million to Artificial Intelligence (AI) (as defined

in the LPA, and no more than \$5.5 million in Medtech/MIH, as defined in the LPA (via amendment), without the prior written consent of Investor.”

2. Miscellaneous.

(a) Except as set forth herein, all of the terms and conditions of the Agreement shall continue in full force and effect following the execution of this Amendment.

(b) This Amendment may be executed in any number of original, PDF or facsimile counterparts and, when so executed, all of such counterparts shall constitute a single instrument binding upon all parties hereto notwithstanding that all parties are not signatory to the original, PDF or facsimile or to the same counterpart.

(c) This Amendment shall be effective upon the execution hereof by the General Partner, the Investor, and the Partnership.

(d) In the event any provision of this Amendment is determined to be invalid or unenforceable, such provision shall be deemed severed from the remainder of this Amendment and replaced with a valid and enforceable provision as similar in intent as reasonably possible to the provision so severed, and shall not cause the invalidity or unenforceability of the remainder of this Amendment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this **AMENDMENT** is effective as of the date first written above.

GENERAL PARTNER:

PNP NEW JERSEY FUND GP I, LLC

INVESTOR:

**NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY**

By: _____

Name: Saeed Amidhozour

Title: Manager

By: _____

(signature)

Name: _____

(print name)

Title: _____

PARTNERSHIP:

PLUG AND PLAY NEW JERSEY FUND I, L.P.

BY: PNP NEW JERSEY FUND GP I, LLC

By: _____

Name: Saeed Amidhozour

Title: Manager

Summary of Principal Terms

DRAFT - FOR DISCUSSION PURPOSES ONLY

Regarding the proposed collaboration between NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY and NLC (the “Collaboration”)

This term sheet (this “**Term Sheet**”) sets out the principal terms of the Collaboration. This Term Sheet is non-binding and is not a plan, proposal, contract, agreement, arrangement or understanding and has been set forth below merely to facilitate discussions concerning a potential transaction and terms anticipated to be set forth in a definitive agreement. No legally binding obligations or rights are created until parties to this Term Sheet have signed the legal documents required for the materialization of the Collaboration (the “**Documentation**”).

Parties	<ul style="list-style-type: none"> - NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (“NDEJA”); and - NLC Fund Management B.V. (“NLC”) <p>Jointly referred to as the “Parties”</p>
Purpose and goals	<p>The purpose of the Collaboration is to establish a co-investment vehicle (the “Co-Investment Vehicle”) focused on co-investing, developing, and scaling of innovative healthcare assets within New Jersey. This Co-Investment Vehicle is being entered into to augment and supplement the activities of the NJEDA and NLC with respect to the creation and implementation of a strategic innovation center, which will incubate and accelerate the development of companies in the medical field.</p> <p>The Co-Investment Vehicle will strategically invest in New Jersey-based assets built by NLC, in close collaboration with Cooper Health and Rowan University. In addition, the Co-Investment Vehicle can invest in existing NLC portfolio companies that set up their US office in New Jersey.</p> <p>The Co-Investment Vehicle will only invest when at least the same amount will be invested by NLC from its NLC-managed funds.</p>
Co-Investment Vehicle	<ul style="list-style-type: none"> - The Co-Investment Vehicle will likely be established as a LP under New Jersey law, but the final structure remains to be agreed between the Parties - The Co-Investment Vehicle will be based and incorporated in the State of New Jersey, USA

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Investment Objective & Strategy	<ul style="list-style-type: none"> - Objective: Partnering to build companies in the focus areas in New Jersey - Focus: Medtech, including examples such as Cardiovascular and Image Guided Therapy, OrthoSpine, Neuro & Surgery, Therapeutics, any of which may be applicable in the fields of maternal and infant health - Geography: New Jersey - Stage: Pre-seed and seed - Number of investments: As part of the Collaboration, Parties aim to invest in 5 to 10 ventures built in accordance with the NLC standard venture building process - Restrictions: <ul style="list-style-type: none"> - The Co-Investment Vehicle will only invest when at least the same amount will be invested by NLC from its NLC-managed funds and mandates. - NJ FOUNDERS & FUNDERS EVENTS. For so long as the NJEDA has not defaulted under the Documentation, NLC will cause a representative of NLC to participate in New Jersey's semi-annual NJ Founders & Funders Event or another NJEDA-sanctioned event related to the entrepreneurial community in New Jersey.
Capital Commitment & Funding	<ul style="list-style-type: none"> - Total Commitment NDEJA: USD 1.5m (the "Commitment"). - Funding Mechanism: to be further agreed upon in the Documentation (upon consultation with the US legal advisor) - Investment Period: 3-5 years - Term: 12 years, 2 one-year extensions
Fees & Expenses	<p>The Co-Investment Vehicle will mimic the Fees NLC charges for its NLC Health Fund V, as outlined below.</p> <ul style="list-style-type: none"> - Management Fee: <ul style="list-style-type: none"> - 2.0% per annum of committed capital until the end of the investment period; thereafter of cost of investment - Payable quarterly in advance. - Carried Interest / Performance Fee: <ul style="list-style-type: none"> - 20% of profits above a preferred return of 8% IRR - Calculated on an aggregate basis - Distribution waterfall: <ul style="list-style-type: none"> - The amounts apportioned to each investor shall be distributed in the following order of priority: - (Return of Capital Contributions) first, 100% to such investor until such investor has received an amount equal to the aggregate capital contributions made by such investor;

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	<ul style="list-style-type: none"> - (Preferred Return) second, 100% to such investor until the cumulative amount distributed to such investor pursuant to this paragraph (b) is equal to interest at an annual rate of 8% (cumulative and compounding annually), on such investors unreturned capital contributions (calculated on the basis of the actual days as from the respective due date of any capital call until the dates distributions are made); - (Catch-up) third, 100% to the carried vehicle until the cumulative amount distributed to the carried vehicle pursuant to this paragraph (c) is equal to: <ul style="list-style-type: none"> (i) 25% of the amounts distributed to such investor pursuant to paragraph (b) above plus (ii) such investor's pro rata share of an amount equal to the capital contribution made by the carried vehicle; (80/20 Split) thereafter, 80% to such investor and 20% to the carried vehicle.
Governance	<ul style="list-style-type: none"> - The following governance considerations (including but not limited to) will be detailed further in the Documentation: <ul style="list-style-type: none"> - Investment committee; - Reporting - Management fee - Carried Interest - Key Person clause
Timing	<p>The indicative timetable is as follows:</p> <ul style="list-style-type: none"> • Issuance of this Term Sheet: 15 December 2025 • Signing of the Documentation: no later than 15 March 2026 ("Closing Date").
Binding conditions	<ul style="list-style-type: none"> - Parties to this Term Sheet are bound to negotiate the Documentation on an exclusive basis and in accordance with the key principles set out in this Term Sheet for the Term of this Term Sheet. Due to the duration of the Term, Parties agree not to solicit offers from other parties for the Collaboration contemplated in this Term Sheet.
Costs	<p>The legal costs associated with the Collaboration shall be borne by the Parties proportionally to their investment in the Co-Investment Vehicle. Each party shall bear its own costs of documenting the transaction contemplated hereby.</p>
Confidentiality	<ul style="list-style-type: none"> - For the duration of the Term, each Party shall use no less than reasonable care to refrain from disclosing any of the terms or

APPENDIX C

	conditions of this Term Sheet (including the fact that Parties are negotiating this Term Sheet and the Documentation) as well as any business and company information disclosed between the Parties. to any third party, except, when required, to its legal and financial advisors, and to potential investors (in the latter case always subject to confidentiality agreements). Each Party shall be responsible to the other Party for compliance with the confidentiality obligations herein by any such permitted third party to whom it discloses any of the terms or conditions of this Term Sheet. Notwithstanding anything to the contrary, the Parties acknowledge that this confidentiality provision is subject to New Jersey law, including but not limited to the Open Public Records Act, the Open Public Meetings Act, and record retention laws. Earlier signed confidentiality agreements will remain in force.
Governing Law	- New Jersey Law
Duration	<ul style="list-style-type: none"> - This Term Sheet will remain in effect from the date NJEDA Board approval of MedNeo LLC until the earlier of 1) the Closing Date, or 2) 90 days from approval of MedNeo LLC provided that the Term can be extended if the Parties mutually agree in writing. - The Co-Investment Vehicle shall proceed to a closing predicated upon the SIC itself (MedNeo LLC) closing and shall terminate immediately upon the SIC's cessation. Portfolio management and reporting requirements will survive.
Effect	<ul style="list-style-type: none"> - Other than the provisions of the Binding Obligations, Confidentiality, Cost, Duration, and Governing Law Sections hereto (which are and shall be binding and enforceable agreements of NJEDA and NLC) (the "Binding Provisions"), this Term Sheet does not constitute a binding agreement by the parties hereto. Except for the Binding Provisions, no legally enforceable agreement of the parties as to the subject matter of this Letter of Intent shall be created unless and until a definitive agreement has been duly authorized, executed, and delivered.
Miscellaneous	<ul style="list-style-type: none"> - This term sheet may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement.

If the foregoing terms are acceptable, please so indicate by signing in the space below.

AGREED AND ACCEPTED TO THIS _____ DAY OF [_____]

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

By: _____

Name:

Title:

NLC Fund Management B.V.

By:_____

Name: Ruben Mikkers

Title: Director

And

By:_____

Name: Bert-Arjan Millenaar

Title: Director



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 16, 2025

Subject: Strategic Innovation Center Investment in the NJ AI Accelerator Fund

Summary:

Members of the Board are requested to approve:

- An investment of up to \$10 million to Plug and Play New Jersey Fund I, L.P., a Delaware limited partnership, that will serve as the NJ AI Hub Accelerator Fund (“NJ AI Fund”) to invest in participant companies of the NJ AI Hub SIC, approved by the Board of the Authority on April 9, 2025, to be managed by Plug and Play (“PNP”) as the Fund Manager, conditioned upon the NJ AI Hub signing an agreement with PNP to manage the accelerator program.
- Authorization to the CEO to execute all documents required, including an amendment to Plug and Play New Jersey Fund I, L.P.; Plug and Play New Jersey Fund I Amendment to the Subscription Agreement; and PNP New Jersey Fund GP I, LLC Amendment to Letter Agreement each attached, hereto, as Appendix A to this memo in substantially final form.
- The Members are also asked to approve a 4.5% administrative fee to NJEDA for administrative costs plus associated Authority legal costs as allowed through the Economic Recovery Fund (“ERF”) statute.

Background:

Strategic Innovation Centers:

In July 2021, the NJEDA Board approved policies for utilizing the Economic Recovery Fund (created by P.L. 1992, c. 16) to undertake development of or to invest in strategic innovation centers to accelerate economic recovery and drive the long-term growth of the State’s innovation economy. Strategic Innovation Centers are defined as facilities that either, directly support research and development (R&D), innovation, or entrepreneurship, or are aimed at solving specific problems in new and innovative ways through a combination of services such as mentorship, networking opportunities, hands-on training, business support services, education opportunities, and/or access to testing, fabrication, or manufacturing facilities and equipment.

The policy approval included the use of fifty-five million (\$55,000,000) appropriated to the NJEDA’s ERF for the purpose of developing Strategic Innovation Centers in accordance with the policies. The 2023, 2024 and 2025 State appropriations acts allocated an additional seventy million (\$70,000,000), seventy-five million (\$75,000,000), and fifty million (\$30,000,000) respectively. In March 2025, NJEDA, with approval from the Joint Budget

Oversight Committee (JBOC), reallocated seven million eight hundred fifteen thousand dollars (\$7,815,000) from the closeout of the Edison Loan Program to the Strategic Innovation Center initiative, bringing the total amount to two-hundred thirty-seven million eight hundred fifteen thousand dollars (\$237,815,000) is available for Strategic Innovation Center (SIC) investments. NJEDA's policy anticipates capturing a 4.5% administrative fee of \$10,350,000 at approval of each project, in accordance with Board approved program policy. Additionally, the ERF statute authorizes the use of ERF funding for the costs of a project, including legal expenses (including special counsel retained by the Attorney General's Office). Inclusive of the commitments itemized below and associated administrative fee there remains available sixty-six million four hundred sixty five thousand dollars (\$66,465,000) of unallocated SIC funds before approval of the NJ AI Hub Fund.

To date, the Members have approved the following use of SIC funding:

- Investment in HAX, LLC (approved October 13, 2021): \$25,000,000
- Investment in Helix (DevCo) (approved December 8, 2021): \$10,000,000
- Allocation to Maternal and Infant Health Innovation Center (approved May 8, 2024): \$3,000,000
- Investment in NJ FAST powered by Plug and Play (approved July 17, 2024): \$17,100,000
- Investment in Atlantic County NJ Aerospace LLC (approved December 19, 2024): \$8,600,000
- Allocation to Maternal and Infant Health Innovation Center (approved February 24, 2024): \$7,000,000
- Investment in NJ AI Hub LLC (approved April 9, 2025): \$15,000,000
- Investment in NJII Venture Studio (approved April 9, 2025): \$5,800,000
- Investment in NJ Bell Labs Venture Studio (approved May 13, 2025): \$15,000,000
- Investment in NJ Nokia Innovation Center (approved May 13, 2025): \$10,000,000
- Investment in NJ Coriell Labs Innovation Center (approved July 23, 2025): \$20,000,000
- Investment in NJ HAX Plasma Forge (approved November 13, 2025): \$24,500,000

The approved policies for Strategic Innovation Center projects consider how NJEDA staff will:

1. Address opportunities for the Authority to take a lead role in developing Strategic Innovation Centers such as building and/or overseeing the operations of the Strategic Innovation Center or collaborating with another party through an early investment that serves as a catalyst for the project.
2. Consider unsolicited proposals or investment opportunities for Strategic Innovation Center projects in the State. In all cases, funding is limited to twenty-five million (\$25,000,000) for any single project with a requirement for matching private capital, and the project must align with the ERF targeted industries¹ or demonstrate that it will meaningfully support increasing diversity and inclusion within the State's entrepreneurial economy. Additionally, all Strategic Innovation Center

¹ “Targeted industry” means any industry identified from time to time by the Authority which shall initially include 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-retail food and beverage businesses including food innovation, and other innovative industries that disrupt current technologies or business models.

projects using ERF funds under these policies must be approved by the Board.

Updating the evaluation which led to investment approved for the NJ AI Hub LLC SIC, April 9, 2025 (Confidential Appendix B), EDA staff has determined the investment, herein, the NJ AI Hub Accelerator Fund, meets the outlined policy requirements for a SIC investment given that it directly supports R&D, innovation and entrepreneurship for start-up companies in the Information and High Technology industries, to develop disruptive solutions, initially, across Clean Energy, Life Sciences.

Background on NJ AI Hub LLC and the NJ AI Hub Accelerator Fund

In December 2023, Governor Murphy, joined by Princeton University President Eisgruber, announced plans to create an artificial intelligence innovation hub for the State to bring together AI researchers, industry leaders, start-up companies, and other collaborators to advance research and development, house dedicated accelerator space, advance the use of ethical AI for positive societal impact, and promote workforce development to support new technology development, in collaboration with other New Jersey universities, community colleges, and vocational schools. Today, the NJ AI Hub, located at 619 Alexander Road, West Windsor, NJ, is operational and working towards activation of each strategic element, including corporate R&D, business acceleration and workforce development. Following from an extensive search conducted by the NJ AI Hub, Plug and Play has been contracted to manage the NJ AI Hub Accelerator, one of the three strategic pillars of the NJ AI Hub. The NJ AI Fund will invest in select participant companies that are either graduates from the NJ AI Hub accelerator program, or are companies that are in the AI industry and can demonstrate a connection with the NJ AI Hub accelerator program, also managed by Plug and Play, as further detailed in the operating agreement. Fifty percent of any distributions resulting from the NJEDA's investment in the NJ AI Hub Fund will be contributed to the AI Hub to further support continuity of operations, until EDA's contributions less 50% of distributions total \$25 million, the SIC policy maximum.

Staff's recommendation is to provide financial support to the AI Companies graduating from the NJ AI Hub Accelerator, or can demonstrate a connection to the NJ AI Hub Accelerator, in the form of a limited partnership investment into Plug and Play New Jersey Fund I, L.P. pursuant to the Strategic Innovation Center policy, as a major element of the NJ AI HUB strategy that aligns with the objectives of the Strategic Innovation Centers initiative.

Strategy and Management

With a dedicated focus on AI, Plug and Play (PNP) will launch the NJ AI Hub Accelerator program tailored to provide startups with essential resources for scaling their businesses. The comprehensive range of services includes mentorship, business model refinement, workshops, access to funding, and corporate partnerships. These resources are designed to help AI startups overcome challenges, accelerate their growth, and enhance their chances of success.

Building on the existing partnership with NJEDA through the existing NJ FAST SIC, Plug and Play will leverage its global network of venture capital firms, corporate investors, and innovation partners to help founders secure follow-on funding and long-term growth. As a global leader in early-stage investing, Plug and Play will continue to evaluate and selectively invest in startups where there is strategic fit, while actively facilitating introductions to venture and corporate investors across its global platform. Through this approach, Plug and Play will amplify VC interest and private capital participation in AI Hub startups, ensuring New

Jersey's most promising AI companies have the visibility, validation, and resources needed to scale within the state. Along with the NJEDA, additional capital commitments aggregating \$10 million have been circled from NJ AI Hub Founding Partner, CoreWeave and accredited individuals. Like the previously established NJ FAST SIC – PNP will make a GP commitment of 10% of the fund.

PNP is a global innovation platform operating in more than 60 cities focused on bringing Fortune 1000 corporations, innovative technology start-up companies, and institutional investors together to develop innovative technologies in specific markets. PNP runs accelerator programs across twenty (20) different industries which accelerate technology implementation through the matching of large corporations with the brightest start-ups on a global scale. PNP sourced more than 750 companies in 2023 from their accelerators, and network including co-investors and over 400 corporate partners – investing in 187 companies with an average check size of \$107,000. Ninety percent (90%) of the investments were at the seed stage. The firm's objective is to provide follow-on investment in at least 30% of the companies. Across all PNP programs in 2023, they successfully exited 18 companies. The group can speak to such unicorn investments – those reaching values over \$1 billion – such as Dropbox, Lending Club and PayPal. On the whole, PNP seeks to demonstrate examples of measurable ROI in the number of startups met, number of NDA's signed, number of pilots initiated, how many pilots led to commercial deals, and how many of these commercial deals helped achieve a corporation's overarching goals.

The NJ AI Hub Accelerator program will be overseen by a dedicated on-the-ground team in New Jersey consisting of four members. Additionally, the on-the-ground team receives ongoing support from Plug and Play's Silicon Valley-based force with a proven track record in successfully launching and executing new programs. This blend of local expertise and Silicon Valley guidance ensures that our program in New Jersey is well-managed, adaptable to the regional ecosystem, and adheres to the best practices established by Plug and Play.

Key personnel for the NJ AI Hub Accelerator Fund initiative include:

Saeed Amidi

Saeed Amidi founded Plug and Play in 2006. Since then, the PNP portfolio has raised over \$9 billion and has gained invaluable support alongside PNP's network of over 10,000 startups. With 30+ locations worldwide and 400+ VC Partners, PNP has extended Silicon Valley's expertise across the world. NJEDA will require key person life insurance on Saeed Amidi.

Saeed has actively invested in startups since 1998. He has invested in high-growth startups such as PayPal (NASDAQ: PYPL), Honey (Acquired by PayPal), Guardant Health (NASDAQ: GH), DropBox (NASDAQ: DBX), LendingClub (NYSE: LC), Tenor (Acquired by Google), and Deepscale.AI (Acquired by Tesla). Some of his other investments include Rappi, N26, Hippo Insurance, SoundHound, ProcessGold (Acquired by UiPath), api.ai (Acquired by Google), Drastin (Acquired by Splunk), Grove (Acquired by Wealthfront), PowerPlan (Acquired by Roper), Aquantia (Acquired by Marvell), Kamcord (Acquired by Lyft), NextBio (Acquired by Illumina), URX (Acquired by Pinterest), and ChangeCoin (Acquired by Airbnb).

Michael Olmstead

Michael Olmstead is the Chief Revenue Officer and a Partner at PNP. He leads sales (~\$100M) and corporate partnerships globally, with a client list of over 500 \$1B+ companies. Michael is responsible for market expansion, including launching PNP's first offices in Paris,

Munich, Amsterdam, and Africa. Michael is the Managing Partner of the Plug and Play Future Commerce Fund, a commerce focused fund with LP's including Kohl's, PVH, and TJX.

In 2013, Michael founded the Brand & Retail program, PNP 's first ever industry specific startup accelerator. Through this program, Michael has sourced and led over 50 commerce focused seed stage investments, including Honey (\$4B acquisition by PayPal), Kustomer (\$1B acquisition by Facebook), and Rappi (\$8B valuation). This program paved the way for PNP launching 17 additional industry specific programs including Fintech, Insuretech, Mobility, Sustainability and Smart Cities in the years following.

Amendment

To effectuate EDA's \$10 million commitment to the NJ AI Hub Fund, Plug and Play has requested amendments to the existing fund documents associated with EDA's \$10 million commitment to the NJ FAST SIC – also managed by Plug and Play. Included in Appendix A are the Capital Commitment Increase Letter (A-1), and Amendments (A-2, A-3) would be required to each of the Plug and Play New Jersey Fund I, L.P. LPA, and PNP New Jersey GP I LLC Side Letter Agreement.

In summary changes would include:

- A revision to the Subscription Agreement increasing NJEDA's commitment to the Fund from \$10,000,000 focused on Fintech/Insurtech businesses to \$25,500,000 in total including this request for \$10,000,000 to invest in AI businesses, along with an additional \$5,500,000 to invest in medtech / maternal infant health businesses², as drawn out in a separate request for the NJ MEDNEO LLC SIC.
- Amendment to the Amended and Restated Limited Partnership Agreement:
 - expands the opportunity to realize long-term appreciation, generally from strategic venture capital investments in equity or equity-oriented Securities (which may include SAFEs and convertible notes) in technology companies that are: Graduates of the NJ AI Hub Accelerator, NJ FAST, NJ AIM, NNIC, or fintech, and insurtech, artificial intelligence (AI), Medtech, and Maternal and Infant Health industries, provided that such companies can demonstrate a connection to the NJ FAST powered by Plug and Play Program, NJ AI Hub Accelerator, NJ AIM, or NNIC.
 - Leverages the definition of eligible businesses for investment to from the NJ Innovation Evergreen Fund legislation allowing for investment into businesses with Principal Business Operations in NJ to create consistency programs. "Principal Business Operations" means any of the following: (1) at least fifty percent (50%) of the business's employees not primarily engaged in retail sales reside in New Jersey; (2) at least fifty percent (50%) of the business's payroll for employees not primarily engaged in retail sales is paid to individuals living in the New Jersey; (3) at least fifty percent (50%) of the business's full-time employees not primarily engaged in retail sales are filling a position in New Jersey; (4) at least fifty percent (50%) of the business's payroll for employees not primarily engaged in retail sales is paid to full-time employees filling a

² "Medtech" means and encompasses a wide range of technologies used in healthcare settings, including medical devices, diagnostics, digital health solutions, and telemedicine platforms. Medtech applies scientific knowledge and engineering skills to develop innovative solutions that enhance healthcare practices. "Maternal and Infant Health" means and encompasses the well-being of women during pregnancy, childbirth, and the postpartum period, as well as the health of infants from birth to their first year of life.

position in New Jersey; or (5) the business's Headquarters is located in the New Jersey, and of all states, the largest percentage of the business's full-time employees, who are based in the United States and are not primarily engaged in retail sales, is located in New Jersey. "Headquarters" means the single location in which the chief executive officer, chief operating officer, or other high-level officers of a business directs, controls, and coordinates the activities of the business.

- Expands the total fund size of Plug and Play New Jersey Fund I, L.P. to \$51,000,000, allowing investment from the NJEDA commitment plus additional private sector dollars to invest across the three business types.

Recommendation:

Members of the Board are requested to approve:

- An investment of up to \$10 million to Plug and Play New Jersey Fund I, L.P., a Delaware limited partnership, that will serve as the NJ AI Hub Accelerator Fund ("NJ AI Fund") to invest in participant companies of the NJ AI Hub SIC, approved by the Board of the Authority on April 9, 2025, to be managed by Plug and Play as the Fund Manager.
- Authorization to the CEO to execute all documents required, including an amendment to Plug and Play New Jersey Fund I, L.P.; Plug and Play New Jersey Fund I Amendment to the Subscription Agreement; and PNP New Jersey Fund GP I, LLC Amendment to Letter Agreement each attached, hereto, as Appendix A to this memo in substantially final form.
- The Members are also asked to approve a 4.5% administrative fee to NJEDA for administrative costs plus associated Authority legal costs as allowed through the Economic Recovery Fund ("ERF") statute.



Tim Sullivan,CEO

Prepared by:

Ram Akella – EVP, Innovation Impact

Tim Rollender – Director, Strategic Innovation Initiatives

John Wisniewski – MD, Strategic Initiatives & Venture

Attachment:

Appendix A –

1. Plug and Play New Jersey Fund I, L.P. -Capital Commitment Increase Letter
2. Plug And Play New Jersey Fund I, L.P. Amendment To Amended And Restated Limited Partnership Agreement
3. PNP New Jersey Fund GP I, LLC Amendment To Letter Agreement

Appendix B – **CONFIDENTIAL** NJ AI Hub LLC Memo, including Strategic Innovation Center Documentation, Eligibility and Evaluation Checklist and definitive documents.

Appendix A-1

Plug and Play New Jersey Fund I, L.P.
440 N. Wolfe Road
Sunnyvale, CA 94085

RE: PLUG AND PLAY NEW JERSEY FUND I, L.P. AMENDMENT TO SUBSCRIPTION AGREEMENT

Ladies and Gentlemen:

This letter is being written in connection with the Subscription Agreement and Investor Questionnaire, dated August 28, 2024 (the “*Subscription Agreement*”) for **NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY** (the “*Investor*”), in connection with the Investor’s limited partnership interest in **PLUG AND PLAY NEW JERSEY FUND I, L.P.** (the “*Fund*”). Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Fund’s Amended and Restated Limited Partnership Agreement dated August 28, 2024, as may be further amended from time to time (the “*Fund Agreement*”).

Pursuant to paragraph 21 of the Subscription Agreement and in amendment of the Subscription Agreement pursuant to paragraph 21 thereof, the Investor hereby (i) requests that its Capital Commitment (as defined in the Subscription Agreement) to the Fund be increased from \$10,000,000 to \$25,500,000 effective as of the date hereof (the “*Increased Commitment*”), (ii) agrees the Increased Commitment is subject to the terms of the Fund Agreement and the Subscription Agreement, (iii) agrees to make capital contributions to the Fund with respect to the Increased Commitment in accordance with the terms set forth in the Fund Agreement, and (iv) confirms the representations, warranties and covenants contained in the Subscription Agreement are complete and accurate as of the date hereof with respect to the Increased Commitment and may be relied upon by the Fund, PNP New Jersey Fund GP I, LLC (the “*Fund Manager*”), and Fund Counsel (as defined in the Subscription Agreement). If in any respect such information shall not be complete and accurate prior to the time of closing, the Investor shall give immediate notice of such incomplete or inaccurate information to the General Partner, specifying which representations or warranties are not complete and accurate and the reasons therefor. In the event of any conflict between the terms contained in this letter and the Fund Agreement or the Subscription Agreement, this letter shall govern.

The parties agree that this letter constitutes an amendment to the Subscription Agreement pursuant to paragraph 21 thereof. Except as set forth herein, all of the terms and conditions of the Subscription Agreement shall continue in full force and effect following the execution of this letter. This letter may be executed in any number of original, facsimile, DocuSign or other counterparts and, when so executed, all of such counterparts shall constitute a single instrument binding upon all parties hereto notwithstanding that all parties are not signatory to the original or facsimile or to the same counterpart.

Sincerely,

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

By: _____
Name: Tim Sullivan
Title: CEO

ACCEPTED and AGREED:

PNP NEW JERSEY FUND GP I, LLC
(for itself as general partner of the Fund
and on behalf of the Fund)

Saeed Amidhozour, Manager

Date: _____, 2025

PLUG AND PLAY NEW JERSEY FUND I, L.P.

**AMENDMENT TO
AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT**

THIS AMENDMENT (the “*Amendment*”) to the Amended and Restated Limited Partnership Agreement, dated August 28, 2024, as amended and/or restated from time to time (the “*Agreement*”) of Plug and Play New Jersey Fund I, L.P., a Delaware limited partnership (the “*Partnership*”) is made and entered into as of _____, 2025 by and among PNP New Jersey Fund GP I, LLC, a Delaware limited liability company (the “*General Partner*”) and the undersigned Limited Partners. Capitalized terms not otherwise defined herein shall have the same meaning as in the Agreement.

RECITALS

WHEREAS, the General Partner and a Majority in Interest of the Limited Partners (collectively, the “*Parties*”), desire to take the actions set forth herein to revise the purpose of the Partnership.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in accordance with the Agreement, the Parties do hereby take the following action:

1. Amendment to Paragraph 1.2. In accordance with paragraph 15.11(a) of the Agreement, paragraph 1.2 of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strike-through~~ marks and new text indicated by **bold, double-underlining**):

“1.2 Purpose. The primary purpose of the Partnership is to ensure the operation of the accelerator program called “NJ FAST powered by Plug and Play” (the “*NJ FAST powered by Plug and Play Program*”) and investment in companies associated with: the NJ MedNeo accelerator program, the NJ AI Hub accelerator program, and the NJ FAST powered by Plug and Play Program (the “*Programs*”; the Partnership’s purpose, the “*Primary Purpose*”). As support for the NJ FAST powered by Plug and Play Program Primary Purpose, the Partnership shall provide a limited number of select investors, including the Founding Limited Partner, with the opportunity to realize long-term appreciation, generally from strategic venture capital investments in equity or equity-oriented Securities (which may include SAFEs and convertible notes) in technology companies that are: (A) either (ai) that are graduates from (a) the Programs, or (b) ii) that are in the Fintech, and Insurtech, Artificial Intelligence (AI), Medtech, or Maternal and Infant Health industries, provided that such companies can demonstrate a connection to at least one of the Programs—examples of such connection include, but are not limited to, mentoring the Programs’ startup companies and participating in the Programs’ events; and (B) maintain their Principal Business Operations in New Jersey and either (i) located in New Jersey, or (ii) have participated in other accelerator programs operated by the Operator or in which the Operator or the General Partner have invested and such companies move seventy five percent (75%) of their full time equivalent positions (which shall mean that each such employee works 35 hours or more per week for such technology companies) to New Jersey; provided that technology companies qualifying under either clauses (b)(i) or (b)(ii) must demonstrate a connection to the NJ FAST powered by Plug and Play Program—examples of such connection include, but are not limited to, mentoring NJ FAST powered by Plug and Play Program startup companies and participating in NJ FAST powered by Plug and Play Program events (such companies under clause (b)(ii), the “Relocated Companies”).

“Medtech” means and encompasses a wide range of technologies used in healthcare settings, including medical devices, diagnostics, digital health solutions, and telemedicine platforms.

Medtech applies scientific knowledge and engineering skills to develop innovative solutions that enhance healthcare practices.

"Maternal and Infant Health" means and encompasses the well-being of women during pregnancy, childbirth, and the postpartum period, as well as the health of infants from birth to their first year of life.

"Fintech" means and encompasses a wide range of technologies used in startups that may be of interest to banks and/or credit unions and impact the financial services industry (e.g. through (1) financial infrastructure such as payments, open banking, loan origination, underwriting, RPA, embedded fintech, etc. and (2) financial sustainability such as financial resilience, wealth management/transfer, student debt, mortgages, etc.).

"Insurtech" means and encompasses a wide range of technologies used in startups that may be of interest to insurance companies and impact product innovation in the insurance industry (e.g. automation, user experience, growth and distribution, cost reduction, etc.) and address insurance coverage distribution for new forms of risks (e.g. new forms of risk created by new technologies – e.g., ridesharing insurance).

"Artificial Intelligence (AI)" means and encompasses a wide range of technologies used in the practical application of machine intelligence to create measurable business value – e.g. technologies that automate decisions, augment human capabilities, enable new software and hardware products, enable new services, and enable new business models – and enabling technologies related to AI (e.g. software technology improving energy storage).

"Principal Business Operations" means any of the following: (1) at least fifty percent (50%) of the business's employees not primarily engaged in retail sales reside in New Jersey; (2) at least fifty percent (50%) of the business's payroll for employees not primarily engaged in retail sales is paid to individuals living in the New Jersey; (3) at least fifty percent (50%) of the business's full-time employees not primarily engaged in retail sales are filling a position in New Jersey; (4) at least fifty percent (50%) of the business's payroll for employees not primarily engaged in retail sales is paid to full-time employees filling a position in New Jersey; or (5) the business's Headquarters is located in the New Jersey, and of all states, the largest percentage of the business's full-time employees, who are based in the United States and are not primarily engaged in retail sales, is located in New Jersey. "Headquarters" means the single location in which the chief executive officer, chief operating officer, or other high-level officers of a business directs, controls, and coordinates the activities of the business.

Subject to the preceding sentence **sentences here in Paragraph 1.2**, the general purposes of the Partnership are to buy, sell, hold, and otherwise invest in Securities of every kind and nature and rights and options with respect thereto, including, without limitation, stock, notes, bonds, debentures and evidence of indebtedness; to exercise all rights, powers, privileges, and other incidents of ownership or possession with respect to Securities held or owned by the Partnership; to enter into, make, and perform all contracts and other undertakings; and to engage in all activities and transactions as may be necessary, advisable, or desirable to carry out the foregoing. The Limited Partners acknowledge and agree that the Partnership intends to pursue a venture capital strategy. The Limited Partners acknowledge that the venture capital strategy of investing in technology companies typically requires a lengthy period holding onto the Securities before long-term appreciation can be realized, and there is no guarantee of appreciation."

2. Amendment to Paragraph 2.1. In accordance with paragraph 15.11(a) of the Agreement, paragraph 2.1 of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“2.1 Term. The term of the Partnership commenced upon the date of the filing of the Certificate of Limited Partnership of the Partnership with the office of the Secretary of State of the State of Delaware (the “Commencement Date”) and shall continue until the ~~tenth~~twelfth (12th) anniversary of the Initial Closing Date (the “Termination Date”), unless extended pursuant to paragraph 10.1 or sooner dissolved as provided in paragraph 10.2.”

3. Amendment to Paragraph 3.2 (b). In accordance with paragraph 15.11(a) of the Agreement, paragraph 3.2 (b) of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“(b) Notwithstanding paragraph 3.2(a), one or more Persons may be admitted to the Partnership as additional Limited Partners (“**Additional Partners**”) or existing Partners may increase their Capital Commitments (such existing Partners are referred to herein as Additional Partners for purposes of this Agreement to the extent of such Capital Commitment increase) with the consent of only the General Partner on or before the date eighteen (18) months following the Initial Closing Date (the “**Final Closing Date**”); *provided that* after such admission (or Capital Commitment increase), the amount of aggregate capital committed to the Partnership and any Parallel Funds by all limited partners (i.e., excluding the commitments of the General Partner and any of its Affiliates) does not exceed ~~twenty five million dollars (\$25,000,000)~~**fifty million dollars (\$50,000,000)**. For purposes of this Agreement, “**Initial Closing Date**” shall mean the date of admission of any Limited Partner, other than the Initial Limited Partner.”

4. Amendment to Paragraph 4.5(b). In accordance with paragraph 15.11(a) of the Agreement, paragraph 4.5(b) of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“(b) In the event that prior to the earlier to occur of the ~~fifth~~seventh (7th) anniversary of the Initial Closing Date and the date the Partnership is Fully Invested (as defined in paragraph 8.3(a)), (i) Saeed Amidhozour (1) is no longer a manager of the General Partner, (2) is no longer active in the affairs of the General Partner or (3) fails to fulfill his time obligations described in the first sentence of paragraph 8.3(a) or (ii) the General Partner or the Operator materially breach their obligations related to the ~~NJ FAST powered by Plug and Play Programs~~ and have not cured such breach within ninety (90) days following notice from the Founding Limited Partner (each, a “**Suspension Event**”), a Suspension Period shall commence as of the date of such Suspension Event.”

5. Amendment to Paragraph 6.1 (b). In accordance with paragraph 15.11(a) of the Agreement, paragraph 6.1(b) of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“(b) The Management Fee for each Fee Date (prior to the adjustment described in paragraph 6.1(c)) shall be an amount equal to the aggregate Capital Commitments of all Limited Partners other than the Founding Limited Partner as of the first day of each such quarter multiplied by either: (i) 0.50% (i.e., 2.0% annually) from the Initial Closing Date through the ~~fifth~~seventh (7th) anniversary of the Initial Closing Date (i.e., the expiration of the Investment Period), (ii) 0.375% (i.e., 1.50% annually) from the ~~fifth~~seventh (7th) anniversary of the Initial Closing Date through the ~~eighth~~tenth (10th) anniversary of the Initial Closing Date, or (iii) 0.25% (i.e., 1.0% annually)

from the ~~eight~~~~tenth~~ **(10th)** anniversary of the Initial Closing Date through the ~~ten~~~~twelfth~~ **(12th)** anniversary of the Initial Closing Date. Notwithstanding the foregoing, (1) the Management Fee for each of the Partnership's first and last fiscal quarters shall be proportionately reduced based upon the ratio of the number of days in each such period bears to ninety (90) (as applicable), (2) the Management Fee within any calendar quarter may change to reflect the appropriate fee percentage to be applied to the Capital Commitments of all Limited Partners other than the Founding Limited Partner (as described in the immediately preceding sentence), (3) an additional Management Fee shall be payable upon the date of admission or increase in Capital Commitment of any Additional Partner other than the Founding Limited Partner to reflect the increased Capital Commitments calculated as if such Additional Partner had been admitted to the Partnership as of the Initial Closing Date with a Capital Commitment equal to such Additional Partner's Capital Commitment immediately following such admission or increase, and (4) no Management Fee shall be payable following the tenth anniversary of the Initial Closing Date unless approved by a Majority in Interest of the Limited Partners."

6. Amendment to Paragraph 8.4 (a). In accordance with paragraph 15.11(a) of the Agreement, paragraph 8.4(a) of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strike~~through marks and new text indicated by **bold, double-underscoring**):

"(a) Without the consent of the Advisory Committee, no more than twenty percent (20%) of the Partnership's Committed Capital (determined on a cost basis at the time of investment) may be invested in the Securities of **any single Portfolio Company** ~~the Relocated Companies~~."

7. Amendment to the Index of Defined Terms. In accordance with paragraph 15.11(a) of the Agreement, and in connection with the aforementioned amendments, the Index of Defined Terms of the Agreement is hereby amended and restated in its entirety with the Term "Relocated Company" and its reference to Paragraph Number "1.2" deleted from the Index of Defined Terms of the Agreement.

8. Amendment to Paragraph 14.11. In accordance with paragraph 15.11(a) of the Agreement, paragraph 14.11 of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strike~~through marks and new text indicated by **bold, double-underscoring**):

"14.11 Investment Period. Except as it may be suspended or extended pursuant to paragraph 4.5, the Investment Period shall mean the period beginning on the Initial Closing Date and terminating upon the ~~fifth~~~~(5th)~~ **seventh** **(7th)** anniversary of the Initial Closing Date."

9. Miscellaneous.

(a) The General Partner is hereby authorized to amend and restate the Agreement in its entirety as necessary to incorporate the terms and conditions set forth in this Amendment.

(b) Except as set forth herein, all of the terms and conditions of the Agreement shall continue in full force and effect following the execution of this Amendment.

(c) This Amendment may be executed in any number of original, PDF or facsimile counterparts and, when so executed, all of such counterparts shall constitute a single instrument binding upon all parties hereto notwithstanding that all parties are not signatory to the original, PDF or facsimile or to the same counterpart.

(d) This Amendment shall be effective upon the execution hereof by the General Partner and a Majority in Interest of the Investors of the Partnership.

Appendix A-2

(e) In the event any provision of this Amendment is determined to be invalid or unenforceable, such provision shall be deemed severed from the remainder of this Amendment and replaced with a valid and enforceable provision as similar in intent as reasonably possible to the provision so severed, and shall not cause the invalidity or unenforceability of the remainder of this Amendment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this **AMENDMENT** is effective as of the date first written above.

GENERAL PARTNER:

PNP NEW JERSEY FUND GP I, LLC

LIMITED PARTNER:

(Print name of investing entity)

By:_____

Name: Saeed Amidhozour

Title: Manager

By:_____

(signature)

Name:_____

(print name)

Title:_____

PNP NEW JERSEY FUND GP I, LLC

**AMENDMENT TO
LETTER AGREEMENT**

THIS AMENDMENT (the “*Amendment*”) to the Letter Agreement, dated August 28, 2024, as amended and/or restated from time to time (the “*Agreement*”) is made and entered into as of _____, 2025 by and among PNP New Jersey Fund GP I, LLC, a Delaware limited liability company (the “*General Partner*”) and the New Jersey Economic Development Authority (the “*Investor*”). Capitalized terms not otherwise defined herein shall have the same meaning as in the Agreement.

RECITALS

WHEREAS, the General Partner and Investor (collectively, the “*Parties*”), desire to take the actions set forth herein to revise the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in accordance with the Agreement, the Parties do hereby take the following action:

1. Amendment to Paragraph 2. In accordance with paragraph 33(b) of the Agreement, paragraph 2 of the Agreement is hereby amended and restated in its entirety as (with deleted text indicated by ~~strikethrough~~ marks and new text indicated by **bold, double-underscoring**):

“2. Investments in New Jersey-Based Businesses and Allocation of Investors’ Capital Contribution

(a) The General Partner will report to the Investor, not less often than quarterly, regarding the General Partner’s efforts to identify New Jersey-based businesses for deal origination by the Partnership, including its ongoing outreach efforts in New Jersey to identify New Jersey firms for investment, the origin of referrals, and the nature of any gaps or problems in identifying New Jersey businesses for possible investment. Such reports to the Investor will include such other information as may be reasonably requested by the Investor, including information regarding the number and nature of New Jersey-based investments considered and consummated by the Partnership, the life cycle stage of such investments, and the estimated number of jobs created in New Jersey from consummated investments by the Partnership (to the extent such an estimate can be reasonably determined).

(b) Additionally, the General Partner will cause the Partnership to report, not less often than annually, on diversity and inclusion with respect to the Partnership’s consummated Portfolio Investments to the extent Portfolio Company diversity and inclusion statistics or policies are reasonably available. The General Partner shall cause the Partnership to provide such information, on the form provided by the Investor to the General Partner, to each portfolio company of the Partnership to complete in order to compile the information called for by this paragraph; provided, however that the Investor acknowledges and understands that the completion of this form by each such portfolio company shall be voluntary.

(c) The General Partner shall invest the Investor’s Capital Contribution such that no more than \$10 million is invested in Fintech/Insurtech, no more than \$10 million to AI, and no more than \$5.5 million in Medtech/MIH, as defined in the LPA (via amendment), without the prior written consent of Investor.”

2. Miscellaneous.

(a) Except as set forth herein, all of the terms and conditions of the Agreement shall continue in full force and effect following the execution of this Amendment.

(b) This Amendment may be executed in any number of original, PDF or facsimile counterparts and, when so executed, all of such counterparts shall constitute a single instrument binding upon all parties hereto notwithstanding that all parties are not signatory to the original, PDF or facsimile or to the same counterpart.

(c) This Amendment shall be effective upon the execution hereof by the General Partner, the Investor, and the Partnership.

(d) In the event any provision of this Amendment is determined to be invalid or unenforceable, such provision shall be deemed severed from the remainder of this Amendment and replaced with a valid and enforceable provision as similar in intent as reasonably possible to the provision so severed, and shall not cause the invalidity or unenforceability of the remainder of this Amendment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this **AMENDMENT** is effective as of the date first written above.

GENERAL PARTNER:

PNP NEW JERSEY FUND GP I, LLC

INVESTOR:

**NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY**

By: _____

Name: Saeed Amidhozour

Title: Manager

By: _____

(signature)

Name: _____

(print name)

Title: _____

PARTNERSHIP:

PLUG AND PLAY NEW JERSEY FUND I, L.P.

BY: PNP NEW JERSEY FUND GP I, LLC

By: _____

Name: Saeed Amidhozour

Title: Manager



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 15, 2025

SUBJECT: Garden State C-PACE Program Programmatic Revisions

Request:

The Members are asked to approve the following programmatic amendments:

1. Replacing the requirement for capital providers to be in good standing with the NJ Department of the Treasury (“Treasury”) with the requirement for project applicants to be in good standing with Treasury;
2. Removing the Municipal Closing fee and the Municipal Servicing Fee and charging a single fee called the Municipal Annual Fee capped at \$5,000 or \$10,000, depending on the transaction size; and
3. Delegation of Authority to the CEO to adjust the Municipal Annual Fee as described below.

Background

In August 2021, Governor Murphy signed P.L. 2021, c. 201 into law (N.J.S.A. 34:1B-374 -382) (“the Act”) authorizing the establishment of the Garden State C-PACE Program (“Program”) in New Jersey and directing the New Jersey Economic Development Authority (“NJEDA” or “Authority”) to develop guidelines for the Garden State C-PACE Program, which are to include the standard forms of documentation to be used for the administration of the Program, and to implement, administer, and oversee the Program.

The Garden State C-PACE Program provides a new form of financing for renewable energy, energy efficiency, water conservation, and certain types of resiliency-related improvements for New Jersey. The Program works by enabling eligible commercial, industrial, agricultural, and certain multi-family residential real property owners in Participating Municipalities to access financing to undertake these kinds of improvements on their properties and repay the financing through the payment of a special assessment to the Participating Municipality, similar to the owner’s real property tax, sewer, or water bill. The Participating Municipality then remits the payment to the capital provider.

In October 2024, the Authority's Board voted to approve the creation of the Program and on July 30th, 2025, the program fully launched enabling the State to build on the industry's national success.

Explanation for Programmatic Amendments

Qualified Capital Provider Good Standing Check

The current C-PACE Program Guidelines requires the capital provider applying to be designated as a Qualified Capital Provider to have a tax clearance certificate to demonstrate good standing with Treasury. The Program does not currently, however, require a tax clearance certificate from the property owner (i.e., the project applicant).

While a tax clearance certificate is not statutorily required for a property owner or any other entity involved in the Program, Staff recommend amending the Program Guidelines to better align the C-PACE Program with other Authority programs.

As such, Staff proposes the removal of the requirement for capital providers submitting a Qualified Capital Provider application to the Authority to be in good standing with the Treasury. In place of this requirement, and consistent with other Authority programs, Staff proposes that all project applicants - that is the property owner seeking C-PACE financing – be in good standing with Treasury demonstrated through a Tax Clearance Certificate.

Revising the Municipal Annual Fee

Pursuant to the enabling statute, the Garden State C-PACE Program requires that prior to a property owner undertaking a C-PACE project, the municipality where the project is located must adopt the Opt-In Ordinance and execute the Program Agreement, as prepared by the Authority.

Beginning in January of this year, Staff began engaging municipalities to educate local officials on the Garden State C-PACE Program. These conversations have resulted in multiple municipalities becoming Participating Municipalities and others expressing their plan to do so. However, some municipalities have expressed that the current Municipal Annual Fee structure is confusing and that the cap of \$1,250, billed annually to the property owner by the municipality, may be insufficient to recoup the actual administrative costs incurred by the municipality for billing, collection, and remittance services. This is a fee that is paid by the property owner to the municipality.

For further clarification, the Municipal Annual Fee currently consists of the Municipal Closing Fee and the Municipal Servicing Fee:

1. The Municipal Closing Fee is the portion of the Municipal Annual Fee that is paid at the time of closing for the C-PACE financing and has a cap of \$500 if the Municipality opts to have the capital provider record the assessment agreements with the County, or \$750 if the Municipality records the documents with the County directly.
2. The Municipal Servicing Fee is the portion of the Municipal Annual Fee that is paid every year for the municipality's role in the repayment of the C-PACE assessment. This fee has an annual cap of \$500.

Staff proposes removing the Municipal Closing Fee and the Municipal Servicing Fee altogether and enabling Participating Municipalities to charge a single Municipal Annual Fee which will have a cap of \$5,000 per C-PACE project per year for projects in which the C-PACE financing amount

is \$15 million or less, and a cap of \$10,000 per C-PACE project per year for projects in which the C-PACE financing amount is greater than \$15 million.

This revision simplifies the fee structure and may entice more municipalities to participate in the program, thus enabling more commercial property owners to utilize the program. At the property owner's request, the capital provider can assume the obligation of paying the Municipal Annual Fee while the property owner repays it over time bundled with the C-PACE financing.

Because administrative costs will vary over time and the municipal fee is intended to recoup municipal administrative costs, staff also requests delegated authority to the CEO to adjust the caps of the Municipal Annual Fee as needed to reflect municipal administrative costs based on information provided by participating and potentially interested municipalities.

Recommendation:

The Members are asked to approve the following programmatic amendments:

1. Replacing the requirement for capital providers to be in good standing with Treasury with the requirement for C-PACE project applicants to be in good standing with Treasury;
2. Removing the Municipal Closing fee and the Municipal Servicing Fee and charging a single fee called the Municipal Annual Fee capped at \$5,000 or \$10,000, depending on the transaction size; and
3. Delegation of Authority to the CEO to adjust the Municipal Annual Fee as described above.



Tim Sullivan, CEO

Prepared by: Max Frank

Attachments:

1. Garden State C-PACE Program Guidelines
2. Appendix C – Garden State Program Agreement



Garden State C-PACE Program Guidelines

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ARTICLE I. OVERVIEW

Section

1.01 Introduction

N.J.S.A. 34:1B-374 to -382 (the “C-PACE Act”) established a C-PACE program in New Jersey. The Garden State Commercial Property Assessed Clean Energy (“C-PACE”) Program (“Garden State C- PACE Program” or the “Program”) provides a new form of financing for renewable energy, energy efficiency, water conservation, and certain types of resiliency-related improvements for New Jersey. The Program works by enabling eligible commercial, industrial, agricultural, and certain multi-family residential real property owners to access financing to undertake these kinds of improvements on their properties and repay the financing through the payment of an additional assessment to their municipality, similar to their real property tax, sewer, or water bill.

The C-PACE Act directs the New Jersey Economic Development Authority (“Authority”) to develop guidelines for the Garden State C-PACE Program, (as may be amended or modified from time to time, “Program Guidelines”) to include the standard forms of documentation (“Uniform Assessment Documents”) to be used by Program participants, and to implement and oversee the Program. Accordingly, the Appendices are an integral part of the Program Guidelines. The official version of the Program Guidelines and all Appendices may be found on the Authority’s Program website. Capitalized terms used in these Program Guidelines are found in Article XI unless otherwise defined herein.

Section 1.02 Authority Program Oversight

The Authority has the responsibility for developing the Program Guidelines and determining whether proposed projects are eligible in accordance with the C-PACE Act and the Program Guidelines. The Authority does not provide any financing to borrowers under this Program, nor does the Authority approve any financing provided by lenders. As part of its role of ensuring compliance with the Program Guidelines, the Authority, in its sole discretion, may decide to contract with one or more third parties to assist the Authority. The Authority may also enter into a memorandum of agreement with one or more State of New Jersey (“State”) government agencies or instrumentalities to perform any actions the Authority may take with regard to the Program.

Section 1.03 Interpretation

The C-PACE Act controls in the event of any inconsistency between the C-PACE Act and these Program Guidelines and any form of Uniform Assessment Document. In the event of any inconsistency between these Program Guidelines and any Uniform Assessment Document, the Program Guidelines shall control. Unless otherwise required by law, if the Program Guidelines are changed or updated by NJEDA after a C-PACE financing closes, the Program Guidelines in effect at the time the Assessment Agreement was signed shall control.

ARTICLE II. PROGRAM ELIGIBILITY REQUIREMENTS

Section 2.01 Eligible Property

“Property” means:

- A. One of the following:
 - 1. industrial, agricultural, or commercial property;
 - 2. residential property containing five or more dwelling units;
 - 3. common areas of condominiums and other planned real estate developments as defined in N.J.S.A. 45:22A-23; or
 - 4. property owned by a tax-exempt or nonprofit entity, including, but not limited to, schools, hospitals, institutions of higher education, or religious institutions;
- B. Within a Participating Municipality; and
- C. Upon which a C-PACE Assessment is intended to be imposed at the request of an Eligible Property Owner in connection with a C-PACE Project.

“Eligible Property” means a Property that meets the following requirements:

- A. Must not be subject to any bankruptcy proceedings;
- B. Must not be the subject of any mortgage loans with any default; and
- C. All tax payments, charges, or assessments for the Property must be current.

Section 2.02 Eligible Owner

“Property Owner” means an owner of an Eligible Property who consents to a C-PACE Assessment being imposed on the Eligible Property.

“Beneficial Owner” means the owner of the building and improvements on an Eligible Property that ground leases the land underlying the building and improvement, with an initial ground lease for a term of at least 50 years.

“Eligible Owner” means a Property Owner or a Beneficial Owner that meets the following requirements as of the date when seeking the Authority’s determination that a proposed C-PACE Project is eligible:

- A. Must not be subject to any bankruptcy proceedings; and
- B. Has written consent from all mortgage lien holders on the Eligible Property for the proposed C-PACE Assessment.

Section 2.03 C -PACE Projects

“C-PACE Project” means the acquisition, construction, installation, or modification of one or more of the following types of improvements (“Eligible Improvement Categories”), which shall be affixed to the Eligible Property.

“Eligible Improvement” means a single improvement within one of the Eligible Improvement Categories.

Unless the supplemental guidelines issued by the Authority provide otherwise, these Program Guidelines do not apply to: (1) refinancing of C-PACE Projects (whether financed previously by a Direct Financing or other financing), (2) new construction (that is, new improvements upon previously unimproved real property or on property on which all previous improvements have been demolished or otherwise removed), or (3) gut rehab (that is, a project that involve the removal and replacement of all interior (nonstructural) systems, equipment, components or features of a structure, whereby the existing structure will be reduced down to the basic structure or exterior shell (e.g., the foundation system; exterior walls, roofs; and interior structural components such as columns, beams, floors, and structural bearing walls), which can also include structural or nonstructural modifications to the exterior of the structure). “Retrofit Projects” shall mean all other C-PACE Projects. Eligible Improvement Categories are:

- A. Energy Efficiency Improvements: Improvements to reduce energy consumption through conservation or a more efficient use of electricity, natural gas, propane, or other forms of energy, including, but not limited to:
 - 1. Air sealing;
 - 2. Installation of insulation;
 - 3. Installation of energy-efficient electrical, heating, cooling, or ventilation systems, including, but not limited to, air and ground source heat pump systems;
 - 4. Energy efficient water heating;
 - 5. Building modifications to increase the use of daylight;
 - 6. Energy efficient windows, doors, and glass;
 - 7. Installation of energy or water controls or energy recovery systems;
 - 8. Installation of efficient lighting equipment and/or controls; and
 - 9. Other improvements that the Authority, in consultation with the New Jersey Board of Public Utilities (“NJBPU”), determines reduce energy consumption.
- B. Water Conservation Improvements: Improvements that reduce water consumption, increase the efficiency of water use, or reduce water loss.
- C. Renewable Energy System Improvements: Improvements by which electrical, mechanical, or thermal energy is produced from a method that uses one or more of the following fuels or energy sources:
 - 1. Green hydrogen produced from a renewable energy source, including, but not limited to, solar or wind energy;
 - 2. Solar energy;
 - 3. Geothermal energy;
 - 4. Biomass;

5. Wind energy; and
6. Other fuels and energy sources that the Authority, in consultation with the NJBPU, determines are renewable energy fuels or sources.

D. **Energy Storage:** Technology that can absorb energy, store it for a period, and thereafter dispatch the energy, including, but not limited to, battery electric storage, thermal storage, pumped hydropower, and such other forms of energy storage as may be determined by the Authority. Energy Storage shall store energy from a new or existing Renewable Energy System or Electric Vehicle Charging Infrastructure unless the Authority determines that the storing energy from a non-renewable energy system is necessary to provide a critical resilience need unique to a facility on the Eligible Property.

E. **Electric Vehicle Charging Infrastructure:** Equipment designed to deliver electric energy to a battery electric vehicle or a plug-in hybrid vehicle.

F. **Stormwater Management Systems:** Has the same meaning as in N.J.S.A. 40A:26B-3, which, as of the date of these Program Guidelines is: “any equipment, plant, structures, machinery, apparatus, management practices, design practices, planning activities, land, or any combination thereof, acquired, used, constructed, implemented, or operated to convey stormwater, control or reduce stormwater runoff and associated pollutants or flooding, induce or control the infiltration of groundwater recharge of stormwater, or eliminate illicit or illegal non- stormwater discharges into stormwater conveyances.”

G. **Flood Resistant Construction Improvements:** Improvements that mitigate the likelihood of flood damage, including, but not limited to, the installation of break-away walls and building elevation alterations.

H. **Hurricane Resistant Construction Improvements:** Improvements that enable components of structures to be in compliance with the standards for a “wind-borne debris region” adopted pursuant to the “State Uniform Construction Code Act,” N.J.S.A. 52:27D-119 et seq., or brought into compliance with a successor standard under that code.

I. **Microgrid:** A group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that acts as a single controllable entity with respect to the electric distribution system and that connects and disconnects from the electric distribution system to enable it to operate when both connected to, or independent of, the electric distribution system. The interconnected distributed energy resources that supply power to the Microgrid shall be new or existing Renewable Energy Systems unless the Authority determines that a Microgrid utilizing a non-renewable distributed energy resource is necessary to provide a critical resilience need unique to a facility on the Eligible Property.

Section 2.04 Project Costs

“Project Costs” means those costs associated with the C-PACE Project that can be financed using a C-PACE Assessment. For a Microgrid, Project Costs are limited to the Eligible Owner’s pro rata share of the Microgrid. Project Costs include:

- A. Direct Costs: Including, but not limited to, costs for the equipment, materials, and labor related to or ancillary to the purchasing, constructing, installing, modifying, or acquiring a C-PACE Project.
- B. Indirect Costs: Including, but not limited to, expenses and fees of engineers, architects, financial advisors, legal counsel, and other professionals, inspection fees and permits, and warranties and pre-paid maintenance contracts for the C-PACE Project.
- C. Financing Costs of Capital Provider: Including, but not limited to, origination fees, prepaid interest and payment reserves, closing costs, counsel fees, trustee or custodian fees, recording fees, credit enhancements, credit rating agency fees, underwriting and placement fees, appraisal fees, environmental reports, and other financing charges.

D. Program Fees: Program Fees as described in Article VI.

Section 2.05 Direct Financing

“Direct Financing” means Financing for a C-PACE Project pursuant to a financing agreement entered into between a Qualified Capital Provider and an Eligible Owner, or an individual or entity duly authorized by the Eligible Owner. The Direct Financing and its associated C-PACE Assessment must adhere to the following underwriting requirements:

- A. The principal amount, when combined with mortgage and other lien obligations on the Eligible Property, shall not exceed ninety (90) percent of the appraised value of the Eligible Property after including the anticipated value created by the C-PACE Project as of the date of stabilization of operations at the Eligible Property;
- B. The amount shall be a specific amount, which may not exceed the Project Costs;
- C. The maximum duration shall not exceed the Weighted Average Useful Life (“WAUL”) of the Eligible Improvements in the C-PACE Project or thirty (30) years, whichever is less. The WAUL is determined by the methods identified in Section 5.04; and
- D. Except as otherwise expressly provided in these Guidelines, the terms of repayment shall be solely determined and negotiated between the Eligible Owner and the Qualified Capital Provider. The schedule for the Eligible Owner’s repayment of the C-PACE Assessment (“Repayment Schedule”) shall be attached to the C-PACE Assessment Agreement.

Section 2.06 Eligibility Criteria

For a proposed project to be eligible under the C-PACE Program:

- A. The applicant proposing the project must satisfy the definition of Eligible Owner;
- B. The proposed property on which the proposed project will be located must satisfy the definition of Eligible Property;
- C. The proposed financing must satisfy the definition of Direct Financing; and
- D. Qualified Technical Reviewers have signed the Technical Review Certification Letter that the proposed project satisfies the definition of C-PACE Project and have verified the amount of Project Costs.

ARTICLE III. QUALIFICATIONS AND RESPONSIBILITIES OF C-PACE PARTICIPANTS

Section 3.01 Municipality

- A. To be qualified to participate in the Program, a municipality (as so qualified, a “Participating Municipality”) must adopt an Opt-In Ordinance authorizing its participation in the Garden State C-PACE Program and submit to the Authority a Participating Municipality Opt-In Notice. Once the Authority confirms that the Participating Municipality Opt-In Notice is acceptable, the Municipality shall enter into a Garden State Program Agreement with the Authority setting forth the obligations of each party under the Program. Forms of the Opt-In Ordinance and Garden State Program Agreement can be found in Appendix B and Appendix C, respectively, and the Participating Opt-In Notice can be found listed on the Program website (www.njeda.com/c-pace/). A list of Participating Municipalities is maintained on the Program website.
- B. The Participating Municipality Opt-In Notice shall require the following information in a format prescribed by the Authority:
 1. The name of the municipality;
 2. The county in which the municipality is located;
 3. Contact information for the municipality, including, but not limited to, name, title, email, and phone number;
 4. Mailing address for the municipality;
 5. A copy of the approved municipality Opt-In Ordinance, which must be in the form attached as Appendix B ;
 6. A completed Garden State Program Agreement signed by the appropriate municipal officer, which must be in the form attached as Appendix C ; and
 7. If the designation as a Participating Municipality was previously revoked, explanation satisfactory to the Authority of the corrective measure(s) implemented that will prevent or ensure that the compliance failure does not happen again.
- C. Responsibilities of Municipalities under the Program. With respect to each C-PACE Project undertaken within its boundaries, the Participating Municipality shall:
 1. Following the Authority’s determination that a C-PACE Project is eligible and simultaneous with the execution by the Eligible Owner and Qualified Capital Provider of the financing agreement:
 - a. Enter into a C-PACE Assessment Agreement with the Eligible Owner in which the Property Owner agrees to the imposition of a C-PACE Assessment on the Eligible Property benefited by a C-PACE Project and containing the related Repayment Schedule; and in which the Participating Municipality agrees to levy, bill, collect, remit, and, to the extent

necessary, enforce the C-PACE Assessment (see Appendix D for the required form of this C-PACE Assessment Agreement);

- b. Enter into a C-PACE Assignment Agreement (“Assignment Agreement”) with the Qualified Capital Provider, or its designee, successor, or assign that is providing the Direct Financing for the C-PACE Project, in which the Participating Municipality assigns the C-PACE Assessment to the Qualified Capital Provider (see Appendix E for the required form of this Assignment Agreement).

2. File, or cause to file, the Notice of Assessment, together with the executed C-PACE Assessment Agreement and Assignment Agreement, with the county recording office in the county in which the Eligible Property is located (see Appendix F for the required form of this Notice of Assessment).
3. Levy, bill, and collect the C-PACE Assessment and remit the C-PACE Assessment to the Qualified Capital Provider, as described in Section 4.03.
4. As necessary, enforce the C-PACE Assessment, which is described in Section 4.06.

D. Termination of Participation by the Municipality: A Participating Municipality may terminate its participation in the Program for any reason by providing ninety (90) days prior written notice to the Authority or in the case of a material change to the Program, by providing written notice to the Authority within sixty (60) days of the material change to the Program with such a termination being effective fifteen (15) days after the written notice; provided, however, that any termination shall not be effective with respect to any continuing obligations of the Participating Municipality relating to any C-PACE Assessments that have not been paid or otherwise discharged in full, and all such continuing obligations of the Participating Municipality relating to such C-PACE Assessments shall continue until all such C-PACE Assessments have been paid or otherwise discharged in full.

Section 3.02 Qualified Capital Providers

A Capital Provider seeking to participate in the Program (“Qualified Capital Provider”) shall follow the process in Section 3.03 to be designated as a Qualified Capital Provider by the Authority. A list of Qualified Capital Providers is maintained on the Authority’s Garden State C-PACE website (www.njeda.com/cpace). The Authority’s designation of a Capital Provider as a Qualified Capital Provider does not constitute a finding by the Authority that a Qualified Capital Provider is appropriate for any particular C-PACE Project or an endorsement of any Qualified Capital Provider.

A. Capital Providers. “Capital Provider” means:

1. An accredited investor or qualified institutional buyer as defined respectively in Regulation D, Rule 501 (17 C.F.R. 230.501 through 230.508) or Rule 144A (17 C.F.R. 230.144A) of the federal “Securities Act of 1933” (15 U.S.C. s.77a et seq.), as amended;
2. The trustee or custodian of a trust or custody arrangement which provides that each beneficial owner of interests shall be an accredited investor or qualified institutional buyer;
3. A special purpose securitization vehicle for the sale and transfer of securities, which is restricted to those persons described in subsections A.1 or A.2 of this definition; or

4. A commercial lending institution chartered by a state or the federal government, including, without limitation, a savings and loan association, a credit union, or a commercial bank.

Until the Authority issues supplemental Guidelines, a Capital Provider shall not include a public entity.

Section 3.03 Eligibility Criteria for Qualified Capital Providers

- A. To be designated as a Qualified Capital Provider, a Capital Provider must meet the following eligibility requirements:
 1. Demonstrate that it meets the definition of a Capital Provider above;
 2. Not be in default with any agreement with the Authority;
 3. Be in substantial good standing with the New Jersey Department of Labor and Workforce Development and the New Jersey Department of Environmental Protection, or, if a compliance issue exists, have entered into a corrective action plan or other agreement with the respective department, as applicable:
 - a. Substantial good standing shall be determined by each department and mean, at a minimum, that the Capital Provider:
 - i. As to the Department of Labor and Workforce Development and Department of Environmental Protection:
 1. Is in substantial compliance with all material statutes, rules, and other enforceable standards of the respective department that apply to the Capital Provider; and
 2. Has no material violations of those statutes, rules, or other enforceable standards that remain substantially unresolved through entry into a corrective action plan, or other agreement with the department, with respect thereto; and
 - ii. As to all other departments, has no unpaid liability in excess of any threshold dollar amount(s) that may be established by each respective department;
 - b. If the Department of Labor and Workforce Development or the Department of Environmental Protection promulgate or issue, their own more stringent rule or standard defining the term “substantial good standing,” the respective department shall use such rule or standard to determine whether an individual or entity is in substantial good standing.
 4. Demonstrate one of the following:
 - a. Be an approved capital provider to participate in three (3) or more C-PACE programs, other than the Garden State C-PACE Program;
 - b. Has closed financing to three (3) or more C-PACE financing transactions in another C- PACE program(s);
 - c. Has originated, maintained, and serviced more than \$2.5 million of loans in the areas of energy efficiency, renewable energy, or building improvements over a period of at least three (3) years;
 - d. Has three (3) years or more of experience with second mortgages or senior and subordinate liens.

5. If the applicant's designation as a Qualified Capital Provider was previously revoked, explanation satisfactory to the Authority of the corrective measure(s) implemented to ensure that the compliance failure does not happen again; and
6. Satisfy the Authority's review pursuant to the Authority's debarment and disqualification rules at N.J.A.C. 19:30-2.

B. **Qualification Process.** A Capital Provider seeking to become a Qualified Capital Provider must submit a completed application to the Authority. Applications are accepted on a rolling basis and can be found on the Garden State C-PACE website. The application shall require the following information in a format prescribed by the Authority:

1. Name and address of the applicant;
2. Contact information for the applicant, including, but not limited to, name, title, email, and phone number;
3. Estimated amount of capital available to use for the Program;
4. List of staff available to manage C-PACE Project transactions, including, but not limited to, names and years with the applicant;
5. The principal regulator(s) of the Capital Provider (such as, the Federal Deposit Insurance Corporation, Federal Reserve Board, the Office of the Comptroller of the Currency, etc.). If not a regulated firm or financial institution, provide the names, titles, email addresses, and direct telephone numbers of three (3) professional references for the firm or, if recently formed, for the firm's principal partners;
6. A certification from the Capital Provider certifying that the Capital Provider is in good standing with their principal regulator.
7. One of the following:
 - a. A list of at least three (3) C-PACE programs for which the applicant has been qualified to participate as a capital provider, including the name of the key contact at the program administrator for each program, and a certification by the Capital Provider that the Capital Provider is not or has not been disqualified, removed, or otherwise deemed ineligible or unable to continue participating in any C-PACE program; or
 - b. Evidence satisfactory to the Authority demonstrating A.4.b, A.4.c., or A.4.d above.
8. Acknowledgement and consent by the applicant that the Authority will publicly disclose any information necessary for the reports required pursuant to N.J.S.A. 34:1B-376 and for the Authority to determine eligibility under the Program;
9. A completed legal questionnaire disclosing all relevant legal matters in accordance with the Authority debarment and disqualification rules at N.J.A.C. 19:30-2 et seq.; and
10. Any other necessary and relevant information as determined by the Authority to complete its review of an applicant.

C. As part of its review, the Authority may contact representatives of any of the C-PACE programs in which the Applicant has previously participated in or is currently participating.

D. The Authority shall notify the applicant of the Authority's decision. If approved, the Qualified Capital Provider and the Authority shall enter into a Private Lender Capital Provider Participation Agreement, in the form set forth in Appendix G. The Capital Provider shall be designated a Qualified Capital Provider upon execution of the Private Lender Capital Provider

Participation Agreement, which shall require, among other things, that the Qualified Capital Provider:

1. Ensure that all Program documentation is prepared and procedures are followed and that the C-PACE Project and the Direct Financing are eligible in accordance with these Program Guidelines;
2. Collect and remit the Closing Fee due to the Authority from the Eligible Owner; and
3. Provide a C-PACE Portfolio Status Update Report, as set forth in Section 4.05.

E. The Qualified Capital Provider shall be required to satisfy the Program's eligibility requirements for the duration of its participation in the Program. The Authority may require, from time to time, that the Qualified Capital Provider submit information or documentation pertaining to its ongoing eligibility as a Qualified Capital Provider, including, but not limited to, an updated legal questionnaire disclosing all relevant legal matters in accordance with the Authority debarment and disqualification rules at N.J.A.C. 19:30-2. and may revoke such qualification if it no longer meets the Program's requirements or it is not otherwise in compliance with the C-PACE Act, the Program Guidelines, the Private Lender Capital Provider Participation Agreement.

ARTICLE IV. GARDEN STATE C-PACE PROJECT PROCESS OVERVIEW

An individual or entity (“Project Applicant”) seeking to be an Eligible Owner for a C-PACE Project shall submit a completed application (“Project Application”) to the Authority for a determination by the Authority that the proposed project is eligible.

Section 4.01 Application Process

A. Application Preparation and Submission

The Project Application shall include the following information in an application format prescribed by the Authority:

1. Name, address, and phone number of Project Applicant;
2. If the Project Applicant is an entity:
 - a. Type of entity, country and state of formation, date of formation, federal and state tax identification number, and website address; and
 - b. Name, title, email, and phone number of the primary point of contact;
3. If applicable, name, title, email, phone number, and address of consultant and/or attorney assisting with Project Application;
4. Address of the proposed Eligible Property, type of property and, if applicable, lease agreement. If the Project Applicant proposes a property in a municipality that is not a Participating Municipality, the Project Application shall not be complete until the municipality is designated by the Authority as a Participating Municipality as set forth in Section 3.01;
5. Certification from the Project Applicant that the Project Applicant has the requisite authority from all other persons or entities with an interest in the proposed Eligible Property, or their duly authorized representative, for the imposition of the C-PACE Assessment on the Eligible Property;
6. Narrative description of the proposed C-PACE Project and all costs, including, but not limited to, Project Costs;
7. Project Applicant’s selected Qualified Capital Provider to provide the Direct Financing and a written certification to the Authority, in the form attached as Appendix H, certifying that the Qualified Capital Provider is an Independent Party from the Qualified Technical Reviewers, the proposed property is an Eligible Property, the Project Applicant is an Eligible Owner, and the proposed financing is a Direct Financing. If the Project Applicant proposes an entity that is not a Qualified Capital Provider, the Project Application shall not be complete until the entity is designated by the Authority as a Qualified Capital Provider as set forth in Section 3.03;
8. Certification from the Project Applicant that the Project Applicant has sufficient sources to complete the proposed C-PACE Project;
9. All required Technical Evaluations and the name of the individual(s) or entity(ies) that completed the Technical Evaluation(s), type of Technical Evaluation(s) completed, the description of experience and credentials of the individual(s) who completed the Technical Evaluation(s), and the WAUL calculated by the Technical Evaluator(s);

10. All required Technical Review Certification Letters completed by a Qualified Technical Reviewer documenting the relevant Technical Reviews as described in Section 5.03 and Appendix H. If the Project Applicant proposes an individual or entity that is not a Qualified Technical Reviewer, the Project Application shall not be complete until the individual or entity is designated by the Authority as a Qualified Technical Reviewer as set forth in Section 5.03;
11. A current title report and appraisal report;
12. A Mortgage Holder Consent from each current mortgage lien holder on the applicable Eligible Property, which shall also include the mortgage lien holder's certification that the mortgage loan is not currently in default, as provided in Appendix A; if such consent is not yet obtained, the Authority's determination of Project eligibility shall be conditioned upon receipt of such consent(s) and the Direct Financing shall not close until the Authority's satisfactory review of such consent(s). The Mortgage Holder Consent shall require that each mortgage lien holder consent to the amount of the C-PACE Assessment and a maximum increase to the amount by 20%;
13. Acknowledgement and consent by the Project Applicant that the Authority will publicly disclose the C-PACE Project, the Direct Financing, and any information necessary for the reports required pursuant to N.J.S.A. 34:1B-376;
14. A completed legal questionnaire disclosing all relevant legal matters in accordance with the Authority debarment and disqualification rules at N.J.A.C. 19:30-2;
15. A certification under penalty of perjury signed by the Eligible Owner if an individual or the individual with the authority to execute and bind the Eligible Owner if an entity that the signatory has reviewed the Project Application information and any associated documents submitted, that the representations contained therein are accurate, and that the Project Applicant is not in default regarding any of its obligations with respect to any Authority program;
16. An Applicant's Undertaking, as provided in Appendix J; and
17. Any other necessary and relevant information as determined by the Authority for a specific Project Application, including, but not limited to, information needed to determine if a proposed project complies with the Program.

The Project Applicant must also be in good standing with New Jersey Department of Treasury, as evidenced by a valid Tax Clearance Certificate.

The Project Applicant shall be responsible for all costs incurred to prepare and submit the Project Application, including, but not limited to, the Technical Evaluation(s) and the Technical Review.

B. Application Review

The Authority will review the completed Project Application and associated documents to determine if eligibility requirements have been met based upon the version of these Program Guidelines (including all forms of documents included herein) in effect at the time that the Project Application is submitted. If necessary to determine the eligibility of a proposed C-PACE Project, the Authority may conduct or require the Project Applicant to submit additional technical analysis and verifications of any eligibility requirements.

C. Determination Letter

Once the Authority determines that the proposed C-PACE Project is eligible, the Authority will issue a Pre-Determination Letter to the Project Applicant with a copy to the selected Qualified Capital Provider. The Pre-Determination Letter that shall state all conditions that the

Eligible Owner or the Qualified Capital Provider must satisfy for the Authority to approve the proposed C-PACE Project. The conditions shall include, but not be limited to, a meeting with the Authority regarding the prevailing wage obligations pursuant to Section 8.01. Once the conditions of approval are satisfied to the Authority's satisfaction, the Authority will issue a Determination Letter to the Project Applicant with a copy to the selected Qualified Capital Provider and the Participating Municipality, authorizing the Direct Financing provided it closes within 24 months from the date of the Determination Letter and further provided that the Eligible Owner maintains all eligibility requirements and the Qualified Capital Provider collects the Closing Fee due to the Authority. The Project Applicant shall sign and return the executed Determination Letter within the time requested by the Authority. The Authority may grant an extension of 6 months, in its sole discretion after which, absent extenuating circumstances, the Authority's determination of eligibility shall expire if the Project Applicant has not executed the Determination Letter. The Authority's determination of eligibility shall expire if the Direct Financing does not close within 24 months from the date of issuance of the Determination Letter, or 30 months if an extension has been granted, in the Authority's sole discretion.

Section 4.02 Changes to C-PACE Projects

The Project Applicant and the Qualified Capital Provider shall be responsible for ensuring that the C-PACE Project remains eligible to participate in the Garden State C-PACE Program pursuant to these Guidelines. If the C-PACE Project does not start construction within 60 days after the Authority's issuance of the Determination Letter, the Eligible Owner shall submit a certification within 60 days prior to commencement of construction signed by the Eligible Owner, the Qualified Capital Provider, and the Qualified Technical Reviewer stating that the C-PACE Project remains eligible as a C-PACE Project. In no event shall the construction of the C-PACE Project commence more than two years after the Authority's issuance of the Determination Letter. No project change shall be allowed if the change results in an increase to the Direct Financing that exceeds 20% of the original amount; a new Project Application shall be required in that event. If the Authority finds that any project change resulted in the C-PACE Project no longer being eligible, the Authority shall notify the Eligible Owner, the Qualified Capital Provider and the Participating Municipality that the C-PACE Project no longer qualifies for a C-Pace Assessment.

Section 4.03 Imposition, Assignment and Recording of C-PACE Assessment; Entry into Financing Agreement; Funding

Following the Project Applicant's receipt of the Determination Letter:

- A. The Eligible Owner and the Participating Municipality shall enter into the C-PACE Assessment Agreement, under which the Eligible Owner agrees to the imposition of the C-PACE Assessment on the Eligible Property, the recording of the C-PACE Assessment in the county recording office, and the assignment by the Municipality of the C-PACE Assessment to the Qualified Capital Provider, and in which the Participating Municipality agrees to levy, bill, collect, and remit assessment payments to the Qualified Capital Provider and, if necessary, enforce the C-PACE Assessment;
- B. The Eligible Owner and the Qualified Capital Provider shall enter into the Direct Financing Agreement;

- C. The Participating Municipality and the Qualified Capital Provider shall enter into the C-PACE Assignment Agreement, under which the Participating Municipality assigns to the Qualified Capital Provider all of its right, title, and interest in and to the C-PACE Assessment and the C-PACE Assessment Agreement, with the Participating Municipality retaining its obligation to levy, bill, collect, remit, and, if necessary, enforce the C-PACE Assessment;
- D. The Participating Municipality shall record, or cause to be recorded, the Notice of Assessment, together with the C-PACE Assessment Agreement and the Assignment Agreement, in the county recording office in the county in which the Eligible Property is located. At the request of the Qualified Capital Provider, recording may be effectuated by the Qualified Capital Provider. The documents must be submitted for filing no later than fifteen (15) business days following the execution of the documents. The C-PACE Assessment shall be a single, continuous first lien on the Eligible Property on and after the date of recording the C-PACE Assessment Agreement; and
- E. The Qualified Capital Provider shall provide to the Authority all fully executed and recorded documents referenced in this section within fifteen (15) days of receipt by the Qualified Capital Provider of the recorded documents.

Section 4.04 Renewable Energy Certificates

An Eligible Owner who installs a Renewable Energy System Improvement under the Garden State C-PACE Program or a Local C-PACE Program may also assign or transfer any Solar Renewable Energy Certificates, Transition Renewable Energy Certificates, or other renewable energy certificates or credits that accrue to the Property Owner from the operation of the system to the Authority, the municipality, the county improvement authority, other public entity, or the Private Entity, or the Qualified Capital Provider as applicable, which has financed the C-PACE Project. If any Solar Renewable Energy Certificates, Transition Renewable Energy Certificates, or other renewable energy certificates or credits are assigned or transferred to a municipality, county, county improvement authority, other public entity, or Private Entity, the municipality, county, county improvement authority, other public entity, or Private Entity, or Qualified Capital Provider is authorized to sell, grant, assign, convey, or otherwise dispose of its interest in the certificates or credits to repay the Direct Financing.

Section 4.05 Reporting on C-PACE Project Milestones

- A. C-PACE Portfolio Status Update Report: The Qualified Capital Provider shall provide the Authority with a C-PACE Portfolio Status Update Report at least once every year, submitted to the Authority, no later than March 31, on the performance in the prior year of any Direct Financing that the Qualified Capital Provider is providing. The C-PACE Portfolio Status Update Report shall be a single report that includes information for each outstanding C-PACE Assessment. When the repayment of a Direct Financing is complete, the corresponding C-PACE Assessment may be removed from the C-PACE Portfolio Status Update Report. At a minimum, the C-PACE Portfolio Status Update Report shall include the following information:
 1. The number of outstanding C-PACE Assessments;
 2. If any assessments are no longer in good standing;
 3. If there have been any late payments;

4. If there have been any delinquencies;
5. The number of new C-PACE Assessments opened in the preceding year; If construction has commenced on the C-PACE Project(s) for which the Qualified Capital Provider is providing Direct Financing; and
6. Anything else that the Authority requests that the Authority determines is needed to determine the performance of the Program and for the reports required pursuant to N.J.S.A. 34:1B-376.

B. Project Completion Certification. Upon completion of a C-PACE Project, the Qualified Capital Provider shall submit to the Authority a certification by the Eligible Owner that the Eligible Improvements have been installed and are in good working order. The Eligible Owner shall also certify that all prevailing wage requirements have been met. Upon the submission of the Project Completion Certificate, the Authority, or a representative third-party contracted by the Authority, may conduct site visits or inspections or request additional information or documentation, including, but not limited to, pictures or video, to ensure that the Eligible Improvements were installed as specified.

Section 4.06 Participating Municipality's Responsibility for Billing, Collection, Remittance and Enforcement of C-PACE Assessments

- A. Payments of the C-PACE Assessment shall commence as set forth in the C-PACE Assessment Agreement. The Participating Municipality shall levy, bill and collect payments for the C-PACE Assessments in accordance with the Repayment Schedule attached to the C-PACE Assessment Agreement. The Repayment Schedule may be amended from time to time by agreement of the Qualified Capital Provider and the Eligible Owner and the filing of a Notice of Amendment of Assessment. Following its receipt of any such payments, the Participating Municipality shall remit such payment to the applicable Qualified Capital Provider within thirty (30) days following the receipt of the payment by the Participating Municipality.
- B. If any payment of a C-PACE Assessment is not made when that payment shall have become due, or later, consistent with any grace period provided or extended by a Participating Municipality for the payment of property tax bills as may be permitted or required by law, interest thereon shall be imposed at the same rate as may be imposed upon unpaid property taxes in the Participating Municipality. Notwithstanding any other provision of law, such statutory interest shall be in addition to any accrued interest and any amount fixed as a penalty for delinquency pursuant to the Direct Financing Agreement between the Eligible Owner and the Qualified Capital Provider.
- C. All such amounts shall be collected and enforced in the same manner as unpaid property taxes, including by accelerated tax sale if the Participating Municipality enforces collection of its unpaid property taxes through accelerated tax sales. The proceeds of the sale shall also pay the outstanding past unpaid amounts of the C-PACE Assessment. However, the remaining balance not delinquent on a C-PACE Assessment shall not be subject to acceleration or extinguishment in the event of a default in payment. Any statutory interest collected by the Participating Municipality on a delinquent C-PACE Assessment pursuant to this paragraph shall be retained by the Participating Municipality. Any accrued interest, or any amount fixed as a penalty for

delinquency, pursuant to the Direct Financing Agreement between the Eligible Owner and the Qualified Capital Provider shall be remitted to the Qualified Capital Provider. If the Property Owner(s) is delinquent on a C-PACE Assessment as well as delinquent on taxes, charges, or other assessments, any payment shall be applied towards any and all such other delinquencies before being applied to any delinquent C-PACE Assessment.

- D. Notwithstanding any other provision of law, in the event that any lien on the Eligible Property shall be exposed to tax sale, pursuant to the “tax sale law,” N.J.S.A. 54:5-1 et seq., and is struck off and sold to the Participating Municipality, the C-PACE Assessment shall survive any subsequent action to foreclose the right of redemption and continue as a first lien upon the real estate described in the C-PACE Assessment, paramount to all prior or subsequent alienations and descents of the real estate or encumbrances, except subsequent taxes, charges, or other assessments, and provided that, notwithstanding the obligations of a Participating Municipality pursuant to N.J.S.A. 54:5-53.1, while the Participating Municipality holds the lien or owns the Eligible Property, the Participating Municipality shall not be responsible for or required to make any payment from its treasury or any other source in furtherance of or to satisfy the C-PACE Assessment. A Participating Municipality shall not bear any other responsibility in furtherance or satisfaction of a C-PACE Assessment, except that a Qualified Capital Provider may seek action to compel the Participating Municipality to enforce a lien through an action to foreclose.
- E. Eminent Domain or Condemnation. In the event of a taking of the Eligible Property by eminent domain or condemnation, the C-PACE Assessment may be accelerated or extinguished, at the election of the Qualified Capital Provider, provided the Qualified Capital Provider is compensated in accordance with the provisions of the “Eminent Domain Act of 1971,” N.J.S.A. 20:3-1 et seq., by the governmental entity utilizing eminent domain or condemnation for the balance due on the unpaid C-PACE Assessment and any interest, penalties, or other charges related thereto.

ARTICLE V. TECHNICAL EVALUATION AND REVIEW

Section 5.01 Technical Evaluation

The Garden State C-PACE Supplemental Guidelines set forth the technical evaluation and review requirements for projects that are not Retrofit Projects.

“Technical Evaluation” means an evaluation of the proposed Eligible Improvements and the C-PACE Project to ensure that they satisfy Program eligibility requirements. Technical Evaluations, for Retrofit Projects, must consist of, at a minimum, B or C below:

- A. The Technical Evaluation shall be performed by a professional or entity (“Technical Evaluator”) who/which meets one of the following:
 1. Certified Energy Manager or Certified Energy Auditor;
 2. Professional Engineer with demonstrated relevant experience; or
 3. Contractor with relevant demonstrated experience
- B. Whole Building Model Approach. This approach applies only to C-PACE Projects that include any Energy Efficiency Improvement. Using this approach, the technical evaluation will determine whether a proposed C-PACE Project meets or exceeds the applicable State energy subcode by calculating the delta between the energy performance of two models. One model representing meeting the State energy subcode and local building code and a second model representing the as-designed proposed C-PACE Project. All relevant input and output data must accompany the model. If the applicable State energy subcode minimum is not met or exceeded, the proposed C-PACE Project is not eligible for Direct Financing funded with a C-PACE Assessment.
- C. Prescriptive Approach. This approach requires an itemized list of each improvement that the Qualified Capital Provider proposes to fund. For a C-PACE Project that includes any Energy Efficiency Improvement, if the applicable State energy subcode minimum is not met or exceeded, the proposed C-PACE Project is not eligible for Direct Financing funded with a C-PACE Assessment. The measures may be proven eligible through one or more of the following:
 1. U.S. Department of Energy COMcheck form;
 2. Equipment data sheet; or
 3. Other forms of documentation that detail the specifications of the Improvement(s).
- D. In addition to the documentation evidencing the approach described in B or C above, all Technical Evaluations for C-PACE Projects must include, at a minimum:
 1. The scope of work for the proposed C-PACE Project;
 2. Documentation demonstrating that the proposed C-PACE Project meets the definition of a C-PACE Project, and the proposed improvements meet the definition of an Eligible Improvement;
 2. Direct Costs and Indirect Costs of the proposed C-PACE Project, as described in Section 2.04;
 3. Identification of the Effective Useful Life (EUL) of each Eligible Improvement;

4. The appropriate evaluation(s) as determined in the table below. If multiple Eligible Improvements are associated with a single C-PACE Project, the respective Technical Evaluation (ASHRAE Level 1, ASHRAE Level 2, Feasibility Study, etc.) must be completed;
5. For Water Conservation Measures, projected water savings in kilogallons;
6. For Energy Efficiency Improvements, projected kilowatt-hours (electricity) or therms (natural gas); and
7. For Renewable Energy Improvements, projected generation in kilowatt-hours.

Section 5.02 Required Technical Evaluations

Table 1: Required Technical Evaluations for Eligible Improvement Categories

Eligible Improvement Category	Required Technical Evaluations
Energy Efficiency (<i>Prescriptive Approach</i>)	ASHRAE Level 1
Energy Efficiency (<i>Whole Building Approach</i>)	ASHRAE Level 2
Renewable Energy/Energy Storage	Feasibility Study, which shall include the information listed in Section 5.02A below
EV Charging	Feasibility Study, which shall include the information listed in Section 5.02B below
Water Conservation	ASHRAE Level 1 or 2 energy audit (which can cover certain water conservation measures), as appropriate for the Eligible Improvement
Flood Resistant Construction, Hurricane Resistant Construction, and Stormwater Management Systems	The required information set forth in Section 5.02C below
Microgrid	A Feasibility Study, which shall include the information listed in Section 5.02A below

A. A Feasibility Study for Renewable Energy, Energy Storage Improvements, and Microgrids, as outlined in the table above, shall include at a minimum:

1. Baseline electricity consumption and cost data, including the most recent 12 months of electricity utility bills;
2. Identification and evaluation of Eligible Property suitability;
3. Identification of metering specifications (locations, number of meters, etc.);
4. Identification of the electricity and/or fuel rate structure;
5. Assessment of the expected system performance;
6. Comparison of the expected system performance against the baseline energy consumption of the Eligible Property;
7. Analysis of building energy savings, including assumed electricity/fuel rate escalations; and
8. Operational information for storage projects, including microgrids (as applicable):
 - Feasibility Study must describe the proposed system, including but not limited to total storage capacity and battery or storage type;
 - Feasibility Study must contain information about the proposed dispatch strategy for storage systems, including how the storage will be dispatched during times of peak electric grid load; and
 - Feasibility Study must estimate the annual number of full charge and discharge cycles for the energy storage system

B. A Feasibility Study for EV Charging Improvements, as outlined in the table above, shall include at a minimum:

1. Number of EV chargers;
2. Cutsheets;
3. Documentation of the types and sizes of EV chargers; and
4. One-line diagram

C. Technical Evaluation for a C-PACE Project that includes Resiliency Improvements, as outlined in the table above, shall include at a minimum:

1. A narrative description of the Eligible Improvement(s) that contains:
 - Identification and confirmation of hazard(s) related to the Eligible Property;
 - Identification and quantification of site-specific vulnerability (risk) associated with the hazard;
 - Identification of customized resilience improvement that mitigate the risk or provide adaptation strategies;
 - Identification of any requirements from local or State laws or resilient related building codes and plans; and
 - Expected useful life for each measure
2. Technical documentation to support any assumptions and calculations such as:
 - Engineering calculations and models;
 - Quote or affidavit from insurance provider demonstrating decrease in or avoidance of insurance costs; or

- Schematics demonstrating raising of building above 100-year floodplain, if applicable

3. Documentation supporting savings, which may be in the form of:
 - Savings from reduced insurance premiums;
 - Savings from avoided incremental insurance expenses;
 - Savings calculated from avoidance of business interruption; or
 - Savings resulting from uninterrupted power.

Section 5.03 Technical Review Process

- A. “Technical Review” means a review by one or more Qualified Technical Reviewers of the Technical Evaluation to ensure the C-PACE Project is eligible.
- B. “Qualified Technical Reviewer” means a person or entity that has been qualified by the Authority to perform a Technical Review. The Qualified Technical Reviewer must be an Independent Party from the Qualified Capital Provider, Eligible Owner, and the individual(s) that conducted the Technical Evaluation for the C-PACE Project. If more than one Qualified Technical Reviewer is engaged, all Qualified Technical Reviewers shall contribute to and sign one Technical Review.
- C. A list of Qualified Technical Reviewers is maintained on the Garden State C-PACE website. The Authority’s designation of an individual or entity as a Qualified Technical Reviewer does not constitute a finding by the Authority that the Qualified Technical Reviewer is appropriate for any particular C-PACE Project or an endorsement of any Qualified Technical Reviewer.
- D. To be designated as a Qualified Technical Reviewer, a person or entity must:
 1. For Energy Efficiency Improvements, Renewable Energy, or Energy Storage Improvements (non-solar), be or employ a licensed Professional Engineer (PE) or accredited individual from the following list:
 - a. American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE)
 - i. Building Energy Assessment Professional (BEAP)
 - ii. Building Energy Modeling Professional (BEMP)
 - b. Association of Energy Engineers (AEE)
 - i. Certified Energy Manager (CEM)
 - ii. Certified Energy Auditor (CEA)
 - c. Building Performance Institute
 - i. Energy Auditor
 - d. Energy Management Association (EMA)
 - i. Energy Management Professional (EMP)
 - e. Investor Confidence Project
 - i. ICP Quality Assurance Assessor
 2. For either Renewable Energy Improvements or Energy Storage Improvements that are solar photovoltaics, be or employ an individual from the following list:
 - a. A Professional Engineer (PE)

- b. A professional with a North American Board of Certified Energy Practitioners (NABCEP) photovoltaic design specialist certification;
 - c. Licensed Electrical Engineer;
 - d. Building Energy Assessment Professional (BEAP);
 - e. Building Energy Modeling Professional (BEMP);
 - f. Certified Energy Manager (CEM);
 - g. Certified Energy Auditor (CEA); or
 - h. Energy Management Professional (EMP)
- 3. For Resiliency Improvements, Water Conservation, Microgrid, or EV Charging Improvements on an existing building:
 - a. Professional Engineer (PE) with the requisite licensure and accreditations to evaluate the applicable Improvements; or
 - b. Appropriate code compliance person or entity
- 4. Satisfy the Authority's review pursuant to the Authority's debarment and disqualification rules at N.J.A.C. 19:30-2.

E. An individual or entity seeking to become a Qualified Technical Reviewer must submit a completed application to the Authority. Applications are accepted on a rolling basis and can be found on the Garden State C-PACE website. The Application shall require the following information in a format prescribed by the Authority:

- 1. Name and address of the applicant;
- 2. Contact information for the applicant, including, but not limited to, name, title, email, and phone number;
- 3. Documentation confirming the licenses, certifications, and/or accreditations of all individual employees that will be directly involved in reviewing proposed C-PACE Projects;
- 4. A completed legal questionnaire disclosing all relevant legal matters in accordance with the Authority debarment and disqualification rules at N.J.A.C. 19:30-2; and
- 5. Any other necessary and relevant information as determined by the Authority for a specific application, including, but not limited to, information needed to determine if the entity or individual has the relevant minimum licenses or qualifications and relevant work experience in the Eligible Improvement Category.

F. The Authority will review the application to determine if the eligibility requirements are satisfied and may request further clarification. The Authority shall notify the applicant of the Authority's decision whether to designate the applicant as a Qualified Technical Reviewer.

G. The Authority may require, on an annual basis, that the Qualified Technical Reviewer submit information or documentation pertaining to the qualification process and may revoke the Technical Reviewer's qualification if it no longer meets the Program's qualification requirements or is not in compliance with the C-PACE Act or the Program Guidelines, including, but not limited to, an updated legal questionnaire disclosing all relevant legal matters in accordance with the Authority's debarment and disqualification rules at N.J.A.C. 19:30-2.

H. Technical Review Required Information

The Technical Review must include, at a minimum, the following:

1. Verification that:
 - a. The appropriate Technical Evaluations were performed by one or more individuals who satisfy the requirements in Section 5.01A above;
 - b. The proposed C-PACE project is an eligible C-PACE Project, and the proposed improvements are Eligible Improvements;
 - c. The design and engineering of the proposed C-PACE Project are technically feasible and reasonably intended to result in any claimed benefits associated with the proposed C-PACE Project; and
 - d. The proposed C-PACE Project and its Eligible Improvement(s) will be permanently affixed to the Eligible Property.
2. Calculation or confirmation of:
 - a. Weighted Average Useful Life (WAUL) of all Eligible Improvements, as set forth in Section 5.04;
 - b. Direct and Indirect Costs of the proposed C-PACE Project as described in Section 2.04.

I. Technical Review Certification Letter

The Qualified Technical Reviewer(s) shall complete a letter certifying to the information required for a Technical Review in the form provided in Appendix H, which shall also include a certification by the Qualified Technical Reviewer(s) that the Technical Reviewer continues to be eligible as a Qualified Technical Reviewer.

J. From time to time, the Authority may conduct reviews of any Technical Review performed by any Qualified Technical Reviewer, pursuant to this Article V, to evaluate compliance with the Program Guidelines, including, but not limited to, the technical standards. The Authority may require that the Qualified Technical Reviewer provide evidence or documentation supporting any of its Technical Reviews.

Section 5.04 Useful Life Calculation

Weighted Average Useful Life (WAUL)

The WAUL of a C-PACE Project is calculated on a weighted average basis from the WAUL of each Eligible Improvement that are of the same type with the same estimated useful life (EUL) using the following process:

The WAUL is calculated by:

1. For Eligible Improvements that are of the same type with the same EUL (Similar Eligible Improvements), calculate the ratio (percentage) of the costs of such Similar Eligible Improvements to the total cost of all the Eligible Improvements.
2. Multiply that percentage by the EUL of those Similar Eligible Improvements.
3. Sum the result of all the calculations under #2 for each group of Similar Eligible Improvements. The resulting sum is the WAUL.

Below is an example for a C-PACE Project that consists of the following Eligible Improvements:

	Cost	% Of Total	EUL (years)	EUL (years)
Insulation	50,000	19%	20	3.70
Windows	20,000	7%	30	2.22
HVAC	200,000	74%	20	14.81
Total	270,000	100%	WAUL=	20.74

Step 1

$$\text{Insulation: } \frac{\$50,000}{\$270,000} = 19\%$$

$$\text{Windows: } \frac{\$20,000}{\$270,000} = 7\%$$

$$\text{HVAC: } \frac{\$200,000}{\$270,000} = 74\%$$

Step 2

$$\text{Insulation: } 19\% \times 20 \text{ years} = 3.70 \text{ years}$$

$$\text{Windows: } 7\% \times 30 \text{ years} = 2.22 \text{ years}$$

$$\text{HVAC: } 74\% \times 20 \text{ years} = 14.81 \text{ years}$$

Step 3

$$3.70 + 2.22 + 14.81 = \underline{20.74 \text{ years WAUL}}$$

ARTICLE VI. FEES

Unless otherwise stated, all fees are one-time, non-refundable fees paid by the Eligible Owner to the Authority.

Fee	Payable to	Amount
Initial Application Fee The portion of the Application Fee due with a completed Garden State C-PACE application.	the Authority	\$1,000

<p>Closing Fee The portion of the Application Fee collected by the Qualified Capital Provider at the time of closing of the Direct Financing and remitted to the Authority within ten (10) calendar days.</p>	the Authority	1 percent (%) of Direct Financing principal amount, not to exceed \$75,000
<p>Technical Reviewer Fee If the Eligible Owner elects to use a Technical Reviewer retained by the Authority for a Technical Review and the Authority agrees, the Eligible Owner shall pay the full amount of direct costs of the Technical Reviewer.</p>	the Authority	Direct costs of the Technical Reviewer
<p>Municipal Annual Fee An annual municipal fee shall be paid by the Eligible Owner to the Participating Municipality once per year for the Participating Municipality's administrative expenses regarding the ongoing billing, collecting, and remitting of the C-PACE Assessment.</p>	the Participating Municipality	<ul style="list-style-type: none"> - Not to exceed \$5,000 – For C-PACE Projects in which the Direct Financing is less than or equal to \$15M; and - Not to exceed \$10,000 – For C-PACE Projects in which the Direct Financing is greater than \$15M

ARTICLE VII. LOCAL C-PACE PROGRAM

A municipality which, as of the Launch Date of the Program, is in the top third of municipalities in the State in terms of population (rounded up), according to the most recent American Community Survey published by the United States Census Bureau (“Authorized Municipality”), may establish a Local C-PACE Program subject to approval by the Authority. A county may also establish a Local C-PACE Program pursuant to a local C-PACE program ordinance to facilitate the financing of C-PACE projects in Participating Municipalities located in that county. The Authority shall publish a list of Authorized Municipalities and counties with approved Local C-PACE Programs on the Authority’s Program website. Qualified Capital Providers may not originate or finance C-PACE Projects in municipalities or counties in which they are contracted by the municipalities or counties to administer the Local C-PACE program.

Section 7.01 Establishing a Local C-PACE Program

The process for establishing a Local C-PACE Program is as follows:

- A. For an Authorized Municipality that is not a Participating Municipality, the Authorized Municipality shall follow the process to be designated a Participating Municipality as set forth in Section 3.01.
- B. Submission of an application to establish a Local C-PACE Program to the Authority which application shall include, but not be limited, to:
 1. Proposed Local C-PACE Program ordinance that authorizes the creation of the Local C-PACE Program, with an opinion of counsel that the Local C-PACE Program ordinance is consistent with the requirements in N.J.S.A. 34:1B-378(b) and -379;
 2. An acknowledgement that the Authorized Municipality or, in the case of a Local C-PACE Program established by a county, any Participating Municipality located in that county, shall use the Uniform Assessment Documents prepared by the Authority, as they may be amended from time to time; and
 3. Draft Local C-PACE Program Guidelines, exclusive of the uniform assessment document, with an opinion of counsel that the Local C-PACE Program Guidelines are consistent with these Program Guidelines.
- C. After receipt of a completed application, the Authority will review the application to confirm that it is in compliance with these Program Guidelines and the C-PACE Act and either approve or decline the application within 60 days after its receipt. If the Authority does not act within 60 days after receipt, the application shall be deemed approved.
- D. Upon the Authority’s approval of the application, the Authorized Municipality or county, may adopt the draft Local C-PACE Program Ordinance and issue the draft Local C-PACE Program Guidelines. Neither Authorized Municipalities nor counties are authorized to approve C-PACE Projects without the Authority’s approval of its Local C-PACE Program.

E. If the Authority declines the application, it shall provide a detailed explanation to the Authorized Municipality or county as to the reasons for the declination and the changes necessary to bring the draft Local C-PACE Program Ordinance and Local C-PACE Program into compliance with the requirements of the C-PACE Act. The Authorized Municipality or county may submit a revised application addressing the reasons and making the change indicated by the Authority. The Authorized Municipality or county shall not adopt the proposed Local C-PACE Program Ordinance if the Authority declines its application.

Section 7.02 Role and Use of Local C-PACE Programs

Any county that establishes a Local C-PACE Program shall do so only for the benefit of Participating Municipalities located within that county, but the Participating Municipalities shall remain responsible for the process of levying, billing, collecting, remitting, and enforcing the C-PACE Assessment. In a county or Authorized Municipality that has established a Local C-PACE Program, any C-PACE Projects in that Authorized Municipality or, in the case of a county, in any Participating Municipality located in that county, may be financed pursuant to the Garden State C-PACE Program or the Local C-PACE Program. In a Participating Municipality that has not established or is located in a county that has not established, a Local C-PACE Program, any C-PACE Projects in that Participating Municipality may be financed pursuant to the Garden State C-PACE Program only.

ARTICLE VIII. PREVAILING WAGE

- A. The Eligible Owner shall comply with the Authority's prevailing wage requirements at N.J.S.A. 34:1B-5.1 and N.J.A.C. 19:30-4 for any construction contract, as defined in N.J.A.C. 19:30-4.1, in relation to the C-PACE Project. In accordance with N.J.S.A. 34:1B-5.1, nothing in these Program Guidelines shall be construed as requiring the payment of prevailing wage for construction commencing more than two years after the first payment or other provision of the Direct Financing is received.
- B. The Qualified Capital Provider shall require in its Direct Financing Agreement that the Eligible Owner comply with the Authority's prevailing wage as set forth in A. above and shall include as an Event of Default the violation of the Eligible Owner of the prevailing wage requirement.

ARTICLE IX. APPEALS

- A. For those declinations that require a decision by the Board of the Authority, the Board's action shall be effective 10 business days after the Governor's receipt of the minutes, provided neither an early approval nor veto has been issued. For those actions that do not require a Board decision, the Authority's action shall be effective on the date specified in the notice of the decision.
- B. An applicant may appeal the Authority's decision by submitting in writing to the Authority, within 20-calendar days from the effective date of either the Board's or the Authority's action, an explanation as to how the applicant has met the program criteria. Such appeals are not contested cases subject to the requirements of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.
- C. Appeals that are timely submitted shall be handled by the Authority as follows:
 1. The Chief Executive Officer of the Authority shall designate an employee of the Authority to serve as a hearing officer for the appeal and to make a recommendation on the merits of the appeal to the Board (unless otherwise determined by the Board). The hearing officer shall perform a review of the written record and may require an in-person hearing. The hearing officer has sole discretion to determine if an in-person hearing is necessary to reach an informed decision on the appeal. The Authority may consider new evidence or information that would demonstrate that the applicant meets all of the application criteria.
 2. Following completion of the record review and/or in-person hearing, as applicable, the hearing officer shall issue a written report containing his or her finding(s) and recommendation(s) on the merits of the appeal. The hearing officer's report shall be advisory in nature. If the report is made to the Board, after reviewing the report, the Chief Executive Officer may also include a recommendation to the written report of the hearing officer. The applicant shall receive a copy of the written report of the hearing officer, which shall include the recommendation of the Chief Executive Officer, if any, and shall have the opportunity to file written comments and exceptions to the hearing officer's report within five business days from receipt of such report.
 3. The Board (or Authority officer if otherwise determined by the Board) shall consider the hearing officer's report, the recommendation of the Chief Executive Officer, if any, and any written comments and exceptions timely submitted by the applicant. Based on that review, the Board (or Authority officer if otherwise determined by the Board) shall issue a final decision on the appeal. Appeals of the final decision can be appealed to the New Jersey Appellate Division.

ARTICLE IX. FAILURE TO COMPLY WITH PROGRAM REQUIREMENTS

- A. If a Qualified Capital Provider or Qualified Technical Reviewer fails to comply with a requirement of the Garden State C-PACE Program, including, but not limited to, requirements in these Program Guidelines or, if applicable, the Capital Provider Participation Agreement, the Authority may revoke the designation as a Qualified Capital Provider or a Qualified Technical Reviewer, respectively, which shall be in addition to any remedy any other individual or entity may have.
- B. If, at any time, the Authority determines that a Qualified Capital Provider or a Qualified Technical Reviewer made a material misrepresentation on its application or any submission to the Authority, the Authority shall revoke the designation as a Qualified Capital Provider or a Qualified Technical Reviewer, respectively, and the Qualified Capital Provider or Qualified Technical Reviewer shall not be eligible to be designated as a Qualified Capital Provider or Qualified Technical Reviewer, respectively, for up to one year, which shall be in addition to any other remedies in the Capital Provider Participation Agreement, if applicable, any remedy any other individual or entity may have, and any criminal or civil penalties to which the Qualified Capital Provider or Qualified Technical Reviewer may be subject.
- C. If a Participating Municipality fails to comply with a requirement of the Garden State C-PACE Program, including, but not limited to, requirements in these Program Guidelines or in the corresponding Participation Agreement, the Authority may revoke the designation as a Participating Municipality, which shall be in addition to any remedy any other individual or entity may have.
- D. If, at any time, the Authority determines that an Eligible Owner, or the officer(s), owner(s), or member(s) of the Eligible Owner that signed the Project Application certification and/or made the statement (“Responsible Officer”), made a material misrepresentation on its application or any submission to the Authority, the Eligible Owner, and all entities that the Responsible Officer controls or in which the Responsible Officer is a majority owner, shall not be eligible for a C-PACE Project for up to one year, which shall be in addition to any remedy any other individual or entity may have, and any criminal or civil penalties to which the Eligible Owner or Responsible Officer may be subject.
- E. If, at any time, the Authority determines that an individual or entity who performed a Technical Evaluation made a material misrepresentation on a Technical Evaluation or any submission to the Authority, the individual or entity shall not be eligible to perform a Technical Evaluation for a proposed C-PACE Project for up to one year, which shall be in addition to any remedy any other individual or entity may have, and any criminal or civil penalties to which the individual or entity may be subject.

ARTICLE X. SEVERABILITY

If any provision of these Program Guidelines is determined to be unlawful, void, or for any reason unenforceable, removal or invalidity of that provision shall be deemed severable from these Program Guidelines and shall not affect the validity and enforceability of any remaining provisions.

ARTICLE XI. GLOSSARY

“Application Fee” shall have the meaning ascribed to it in Article VI.

“ASHRAE” means the American Society of Heating, Refrigerating and Air-Conditioning Engineers.

“Assessment Agreement” shall have the meaning ascribed to it in Section 3.01C.

“Assignment Agreement” shall have the meaning ascribed to it in Section 3.01C.

“Authority” means the New Jersey Economic Development Authority.

“Authorized Municipality” shall have the meaning ascribed to it in Article VII.

“Beneficial Owner” shall have the meaning ascribed to it in Section 3.02A.

“Capital Provider” shall have the meaning ascribed to it in Section 3.02A.

“Capital Provider Participation Agreement” shall have the meaning ascribed to it in Section 3.03E.

“Closing Fee” shall have the meaning ascribed to it in Article VI.

“C-PACE” means commercial property assessed clean energy.

“C-PACE Act” shall have the meaning ascribed in Section 1.01.

“C-PACE Assessment Agreement” shall have the meaning ascribed in Section 3.01C.

“C-PACE Assessment” shall mean a local improvement assessment in accordance with N.J.S.A. 40:56-1 et seq. imposed by a Participating Municipality on an Eligible Property at the request of and with the consent of the Property Owner, and determined based upon the existing use of such Eligible Property or the contemplated use of unimproved Eligible Property upon completion of new construction, as a means of securing and otherwise facilitating financing provided by a Capital Provider with respect to a C-PACE Project at the Eligible Property, payments in respect of which C-PACE Assessment are collected by the municipality and remitted to or on behalf of the Capital Provider, its designee, successor, assigns or beneficiaries.

“C-PACE Project” shall have the meaning ascribed to it in Section 2.03.

“C-PACE Portfolio Status Report” shall have the meaning ascribed to it in Section 4.04A.

“Determination Letter” shall have the meaning ascribed to it in Section 4.01C.

“Direct Costs” shall have the meaning ascribed to it in Section 2.04A.

“Direct Financing” shall have the meaning ascribed to it in Section 2.05.

“Direct Financing Agreement” shall mean an agreement entered into between a Qualified Capital Provider and an Eligible Owner regarding the Direct Financing provided by the Qualified Capital Provider.

“Effective Useful Life” shall have the meaning ascribed to it in Section 5.02D.

“Electric Vehicle Charging Infrastructure” shall have the meaning ascribed to it in Section 2.03E.

“Eligible Improvements” shall have the meaning ascribed to it in Section 2.03.

“Eligible Improvement Category” shall have the meaning ascribed to it in Section 2.03.

“Eligible Owner” shall have the meaning ascribed to it in Section 2.02.

“Eligible Property” shall have the meaning ascribed to it in Section 2.01.

“Energy Efficiency Improvements” shall have the meaning ascribed to it in Section 2.03A.

“Energy Storage” shall have the meaning ascribed to it in Section 2.03D.

“Feasibility Study” shall have the meaning ascribed to it in Section 5.02A.

“Finance” or “Financing” means the investing of capital in accordance with these Program Guidelines and N.J.S.A. 34:1B-382, including, on the basis of supplemental program guidelines to be published by the Authority, the refinancing of an investment in an existing C-PACE Project.

“Financing Costs of Capital Providers” shall have the meaning ascribed to it in Section 2.04C.

“Flood Resistant Construction Improvements” shall have the meaning ascribed to it in Section 2.03G.

“Garden State C-PACE Program” or “Program” means the program established by the Authority pursuant to the C-PACE Act and subject to these Program Guidelines.

“Garden State Program Agreement” shall mean an agreement between the Authority and a Participating Municipality defining:

- The obligation of a municipality to participate in the Garden State C-PACE Program, including the requirement that the Participating Municipality levy, bill, collect, remit, and enforce a C-PACE Assessment; and
- The obligations, if any, that the Authority may undertake:
 - With respect to the remittance of C-PACE Assessments to Qualified Capital Providers if the remittance is authorized by regulations adopted by the Local Finance Board and requested by the Participating Municipality, and incorporated, at the Authority’s sole discretion, into the Authority’s program guidelines and processes; and
 - To review and qualify the participation of individual capital providers as or financings in the Garden State C-PACE Program.

“Hurricane Resistant Construction Improvements” shall have the meaning ascribed to in Section 2.03H.

“Independent Party” means that the party that is independent:

1. Has no overlap in its respective ownership or other beneficial interests with the parties from which it is independent;
2. Is not under common control, whether by virtue of ownership interest, contract arrangements, or otherwise with the parties from which it is independent; and
3. Has no employee participating in the Eligible Project, including, but not limited to, directly involved in the Technical Review of the Eligible Project, that has been employed by the parties from which it is independent during the preceding 12 months.

“Indirect Costs” shall have the meaning ascribed to it in Section 2.04B.

“Initial Application Fee” shall have the meaning ascribed to it in Article VI.

“Launch Date” means [INSERT DATE].

“Local C-PACE Program” means a program established by an Authorized Municipality or a county pursuant to N.J.S.A. 34:1B-379.

“Local C-PACE Program Application Fee” shall have the meaning ascribed to it in Article VI.

“Local C-PACE Program Guidelines” shall have the meaning ascribed to it in Article VII.

“Local C-PACE Program Ordinance” means an ordinance adopted by an Authorized Municipality or a county, and approved by the Authority pursuant to N.J.S.A. 34:1B-380, to establish a Local C-PACE Program within its jurisdiction pursuant to N.J.S.A. 34:1B-378(b) and N.J.S.A. 34:1B-379(a).

“Microgrid” means a group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that acts as a single controllable entity with respect to the electric distribution system and that connects and disconnects from the electric distribution system to enable it to operate when both connected to, or independent of, the electric distribution system.

“Mortgage Holder Consent Form” is located at Appendix A.

“Municipal Closing Fee” shall have the meaning ascribed to it in Article VI.

“Municipal Servicing Fee” shall have the meaning ascribed to it in Article VI.

“NJBPU” means the New Jersey Board of Public Utilities.

“Notice of Assessment” means the document filed with the county recording officer in the county in which an Eligible Property is located, which notifies prospective holders of an interest in the Eligible Property that a C-PACE Assessment lien has been placed on the Eligible Property.

“Notice of Amendment of Assessment” means the document filed with the county recording officer in the county in which an Eligible Property is located, which notifies prospective holders of an interest in the Eligible Property that the previously recorded Notice of Assessment has been amended.

“Ongoing Measurement and Verification” shall have the meaning ascribed to it in Section 4.05C.

“Opt-In Ordinance” means an ordinance adopted by a municipality by which it authorizes its participation in the Garden State C-PACE Program and authorizes the municipality to enter into a Garden State Program Agreement with the Authority.

“Participating Municipality” means:

- a. a municipality that adopts an Opt-In Ordinance and executes a Garden State Program Agreement; or
- b. an Authorized Municipality that adopts an Opt-In Ordinance, executes a Garden State Program Agreement, and adopts a Local C-PACE Program Ordinance and Local C-PACE Program Guidelines approved by the Authority.

“Prescriptive Approach” shall have the meaning ascribed to it in Section 5.01C.

“Private entity” means a corporation, limited liability company, partnership, trust, or any other form of private organization, including but not limited to a “related competitive business segment of a public utility holding company,” or a “related competitive business segment of an electric public utility or gas public utility,” as those terms are defined in N.J.S.A. 48:3-51, so long as the organization is not subject to the jurisdiction of the Board of Public Utilities.

“Private Lender Capital Provider Participation Agreement” shall have the meaning ascribed to it in Section 3.03D.

“Program Fees” shall have the meaning ascribed to it in Section 2.04D.

“Program Guidelines” shall mean these guidelines, as they may be revised or amended from time to time, and which shall include all program-related documents prepared and published by the Authority as exhibits to the Program Guidelines.

“Project Applicant” shall have the meaning ascribed to it in Article IV.

“Project Application” shall have the meaning ascribed to it in Article IV.

“Project Completion Certification” shall have the meaning ascribed to it in Section 4.04B.

“Project Costs” shall have the meaning ascribed to it in Section 2.04.

“Property” shall have the meaning ascribed to it in Section 2.01.

“Property Owner” shall have the meaning ascribed to it in Section 2.02.

“Qualified Capital Provider” shall have the meaning ascribed to it in Section 3.02.

“Qualified Energy Auditor” means a qualified energy auditor as defined by American Society of Heating, Refrigerating and Air-Conditioning Engineers® (ASHRAE) Standard 211 (series).

“Qualified Technical Reviewer” shall have the meaning ascribed to it in Section 5.03.

“Renewable Energy System Improvements” shall have the meaning ascribed to it Section 2.03C.

“Repayment Schedule” shall have the meaning ascribed to it in Section 2.05.

“Resiliency Improvements” means Stormwater Management System, Flood Resistant Construction, and Hurricane Resistant Construction Improvements.

“Responsible Officer” shall have the meaning ascribed to it in Section IXD.

“Retrofit Project” shall have the meaning ascribed to it in Section 2.03.

“Stormwater Management Systems” shall have the meaning ascribed to it in Section 2.03F.

“Solar Renewable Energy Certificate” means the same as defined in N.J.S.A. 48:3-51.

“Technical Evaluation” shall have the meaning ascribed to it in Section 5.01.

“Technical Review” shall have the meaning ascribed to it in Section 5.0

“Technical Review Certification Letter” shall have the meaning ascribed to it in Section 5.03.

“Transition Renewable Energy Certificate” means a certificate issued by the Board of Public Utilities or its designee, under the solar energy transition incentive program, which is designed to transition between the Solar Renewable Energy Certificate program and a solar successor incentive program to be developed by the Board of Public Utilities pursuant to N.J.S.A. 48:3-87.8 et al.

“Uniform Assessment Documents” means an Assessment Agreement, Assignment Agreement, Notice of Assessment, Notice of Amendment of Assessment, a Mortgage Holder Consent, and any other uniform or model documents prepared by the Authority and used in the Garden State C-PACE Program and Local C-PACE Programs, except that the Authority shall not mandate a uniform financing agreement, which shall be supplied by the Qualified Capital Provider for Direct Financing.

“Whole Building Model Approach” shall have the meaning ascribed to it in Section 5.01B

“Water Conservation Improvements” shall have the meaning ascribed to it in Section 2.03B.

“Weighted Average Useful Life (WAUL)” shall have the meaning ascribed to it in Section 5.04.

ARTICLE XII. LIST OF APPENDICES

Appendix A: Form of Mortgage Holder Consent

Appendix B: Model Opt-In Ordinance

Appendix C: Form of Garden State Program Agreement

Appendix D: Form of C-PACE Assessment Agreement

Appendix E: Form of C-PACE Assignment Agreement

Appendix F: Form of C-PACE Notice of Assessment

Appendix G: Form of Private Lender Capital Provider Participation Agreement

Appendix H: Qualified Capital Provider/Technical Reviewer Certification Letter

Appendix I: Form of C-PACE Notice of Amendment of Assessment

Appendix J: Form of Eligible Owner Applicant Undertaking

APPENDIX A – FORM OF MORTGAGE HOLDER CONSENT

Separate Document

APPENDIX B – MODEL OPT-IN ORDINANCE

Separate Document

APPENDIX C – FORM OF GARDEN STATE PROGRAM AGREEMENT

Separate Document

APPENDIX D – FORM OF C-PACE ASSESSMENT AGREEMENT

Separate Document

APPENDIX E – FORM OF C-PACE ASSIGNMENT AGREEMENT

Separate Document

APPENDIX F – FORM OF C-PACE NOTICE OF ASSESSMENT

Separate Document

**APPENDIX G – FORM OF PRIVATE LENDER CAPITAL PROVIDER
PARTICIPATION AGREEMENT**

Separate Document

**APPENDIX H – QUALIFIED CAPITAL PROVIDER/TECHNICAL
REVIEWER CERTIFICATION LETTER**

Separate Document

**APPENDIX I – FORM OF C-PACE NOTICE OF AMENDMENT OF
ASSESSMENT**

Separate Document

APPENDIX J – FORM OF ELIGIBLE OWNER APPLICANT UNDERTAKING

Separate Document

FORM OF PROGRAM AGREEMENT

GARDEN STATE PROGRAM AGREEMENT
BETWEEN
THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
AND
[NAME OF MUNICIPALITY]

THIS GARDEN STATE PROGRAM AGREEMENT (this “Garden State Program Agreement”) is made and entered into as of the _____ day of _____, 202____, by and between [MUNICIPALITY] (the “Municipality”), a municipal corporation of the State of New Jersey (the “State”), having an address at _____, in the County of [COUNTY], and the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic of the State (the “Authority”; and together with the Municipality, the “Parties”, and each, a “Party”).

Capitalized terms not defined herein shall have the meanings given such terms in the Program Guidelines.

BACKGROUND

WHEREAS, the Authority has established the Garden State C-PACE Program (the “Program”), and developed the Garden State C-PACE Program Guidelines and Supplemental Guidelines (as may be amended from time to time, collectively the “Program Guidelines”), pursuant to and in accordance with P.L. 2021, c. 201 (N.J.S.A. 34:1B-374 et seq.), as may be amended, the “C-PACE Act”), to facilitate private and other loan financing for clean energy and resiliency-related improvements to commercial and certain other types of properties (each, a “C-PACE Project”); and

WHEREAS, the C-PACE Act authorizes the imposition of a voluntary local improvement assessment in accordance with N.J.S.A. 40:56-1 et seq. (a “C-PACE Assessment”) at the request of an Eligible Owner to provide security for the repayment to a Qualified Capital Provider of Direct Financing for a C-PACE Project, provided that the municipality in which the Eligible Property is located has adopted an Opt-in Ordinance to participate in the Program and has entered into a Garden State Program Agreement; and

WHEREAS, the Municipality has adopted an Opt-in Ordinance authorizing its participation in the Program and its execution of this Garden State Program Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto mutually covenant and agree as follows:

Section 1 - Purpose.

The Authority and the Municipality are entering into this Garden State Program Agreement for the purpose of setting forth their respective obligations in connection with the Program in accordance with the C-PACE Act and the Program Guidelines.

Section 2 - Rights and Obligations of the Authority.

A. C-PACE Program Guidelines; Uniform Assessment Documents. Pursuant to the C-PACE Act, the Authority has developed and published Program Guidelines, which are inclusive of the Uniform Assessment Documents. A copy of the current Program Guidelines, as in effect on the date hereof, can be found on the Authority's Program website. The Authority may, from time to time and at its discretion, revise the Program Guidelines, including one or more of the Uniform Assessment Documents. In the event that the Program Guidelines are revised, the revised Program Guidelines shall not apply retroactively to any prior approvals, actions, or fees paid for C-PACE Projects that were previously approved but shall be effective and applicable to all C-PACE Projects in the Municipality upon their publication on the Authority's Program website.

B. Applications for C-PACE Projects. As set forth in the Program Guidelines, an individual or entity seeking to receive a Direct Financing shall submit a completed application to the Authority for the Authority to determine if the individual or entity, the property, and the proposed project are eligible. The Authority shall inform the Municipality of the Authority's determinations with respect to the eligibility of proposed projects within the Municipality for which the Authority has received applications.

C. Applications by Capital Providers. As set forth in the Program Guidelines, a Capital Provider seeking to be qualified to participate in the Program shall submit a completed application to the Authority for the Authority to determine if the Capital Provider is eligible. In addition, the Program Guidelines set forth the conditions and requirements for participation by Qualified Capital Providers in the Program. The Authority shall maintain a list of Qualified Capital Providers on the Authority's Program website.

D. Use of Third-Party Administrators; Use of State Government Agencies. Pursuant to the C-PACE Act, during the term of this Garden State Program Agreement, the Authority: (i) may contract with one or more third-party administrators, whether private, public or quasi-public, or for-profit or not-for-profit, to assist the Authority in its implementation or administration, or a combination thereof, of the Program and may delegate any duties under the program to one or more such third-party administrators, provided that the Authority shall not delegate its responsibility for general oversight of the Program, or (ii) may enter into a memorandum of agreement with one or more State government agencies or instrumentalities whereby any of the powers the Authority may exercise or responsibilities it must fulfill pursuant to the C-PACE Act may be exercised or fulfilled, as the case may be, by such agency or instrumentality. If the Authority contracts with one or more third-party administrator or enters into a memorandum of agreement with one or more State government agencies or instrumentalities, the Municipality agrees to cooperate with such third-party administrator or State agency or instrumentality and to enter into such amendments to this Garden State Program Agreement or such new agreements with respect to the Program as may be required at such time in connection with the change in Program

administration, provided that any such new agreements will contain only provisions required to enable the new entity to undertake the administration of the Program.

Section 3 - Rights and Obligations of the Municipality.

A. Compliance with the Garden State C-PACE Program. The Municipality acknowledges and agrees that it has reviewed the C-PACE Act and the Program Guidelines and it shall comply with the C-PACE Act and the Program Guidelines. The Municipality shall remain in compliance at all times with all requirements and obligations of the Garden State C-PACE Program, the C-PACE Act, this Garden State Program Agreement, the Program Guidelines (as such Program Guidelines may be revised from time to time), and each Uniform Assessment Document to which the Municipality is a party. Without limiting the generality of the foregoing, in connection with each C-PACE Project in the Municipality, the Municipality shall be obligated to (i) enter into a C-PACE Assessment Agreement with the Eligible Owner; (ii) enter into a Notice of Assessment; (iii) enter into an Assignment Agreement with the Qualified Capital Provider; and (iv) enter into any amendment(s) to such C-PACE Assessment Agreement, Notice of Assessment, or Assignment Agreement, as the Eligible Owner and the Qualified Capital Provider shall jointly request. Each such Uniform Assessment Document shall be substantially in the form of such document included in the Program Guidelines.

B. Designation of Municipal C-PACE Liaison. The Mayor or municipal manager, as appropriate to the form of government, shall designate an official of the Municipality, who shall be known as the Municipal C-PACE Liaison, to serve as the Municipality's liaison to the Garden State C-PACE Program. The Municipality shall have a designated Municipal C-PACE Liaison at all times during the Municipality's participation in the Garden State C-PACE Program. The Municipal C-PACE Liaison shall be or become qualified by training and experience to serve in that role. The Municipal C-PACE Liaison shall be responsible for coordinating within the Municipality the operation of the Garden State C-PACE Program in order to ensure the Municipality's compliance with the Garden State C-PACE Program, including compliance with the Program Guidelines, compliance with this Garden State Program Agreement, enforcement of C-PACE Assessments, and establishment of the appropriate municipal processes to fully participate in the Garden State C-PACE Program.

C. C-PACE Assessment Treated as a Municipal Lien. A C-PACE Assessment shall be treated as a municipal lien rather than a contractual lien for all purposes, including for the purposes of this Garden State Program Agreement.

D. Obligation to Levy, Bill, Collect, Remit, and Enforce C-PACE Assessments.

1. Payments of the C-PACE Assessment shall commence as set forth in the C-PACE Assessment Agreement. The Municipality shall levy, bill and collect payments for the C-PACE Assessments in accordance with the Repayment Schedule attached to the C-PACE Assessment Agreement. The Repayment Schedule may be amended from time to time by agreement of the Qualified Capital Provider and the Eligible Owner. Following its receipt of any such payments, the Municipality shall remit such payment to the applicable Qualified Capital Provider within thirty (30) days following the receipt of the payment by the Municipality.

2. If any payment of a C-PACE Assessment is not made when that payment should have become due, or later, consistent with any grace period provided or extended by the Municipality for the payment of property tax bills as may be permitted or required by law, the Municipality shall impose interest thereon (“statutory interest”) at the same rate as shall be imposed upon unpaid property taxes in the Municipality. Such statutory interest shall be in addition to any accrued interest and any amount fixed as a penalty for delinquency, pursuant to the Direct Financing Agreement.

3. All delinquent payments of C-PACE Assessments, together with statutory interest thereon, accrued interest, and any penalties for such delinquency, shall be collected and enforced in the same manner as unpaid property taxes, which may include accelerated tax sales. The proceeds of the tax sale shall also pay the outstanding past unpaid amounts of the C-PACE Assessment. The remaining balance not delinquent on a C-PACE Assessment shall not be subject to acceleration or extinguishment in the event of a default in payment.

4. Any statutory interest collected by the Municipality on a delinquent C-PACE Assessment shall be retained by the Municipality. Any accrued interest, or any amount fixed as a penalty for delinquency pursuant to the Direct Financing Agreement shall be remitted to the Qualified Capital Provider.

5. If a Property Owner is delinquent on a C-PACE Assessment as well as delinquent on taxes, charges, or other assessments, the Municipality shall apply any payment made by the Property Owner to any and all such other delinquencies before applying any payment to any delinquent C-PACE Assessment.

6. The Municipality acknowledges that in the event that any lien on an Eligible Property shall be exposed to tax sale, pursuant to the “tax sale law,” N.J.S.A. 54:5-1 et seq., and is struck off and sold to the Municipality, the C-PACE Assessment shall survive any subsequent action to foreclose the right of redemption and continue as a first lien upon the real estate described in the C-PACE Assessment, paramount to all prior or subsequent alienations and descents of the real estate or encumbrances, except subsequent taxes, charges, or other assessments.

7. Notwithstanding the obligations of the Municipality pursuant to N.J.S.A. 54:5-53.1, while the Municipality holds the lien or owns the Eligible Property, the Municipality shall not be responsible for or required to make any payment from its treasury or any other source in furtherance of or to satisfy the C-PACE Assessment.

8. The Municipality shall not bear any other responsibility in furtherance or satisfaction of a C-PACE Assessment, except that the Municipality acknowledges and agrees that a Qualified Capital Provider may seek to compel the Municipality to enforce a lien through an action to foreclose.

9. The Municipality’s appropriate administrative personnel are authorized to make payments to the Qualified Capital Provider or its designee in accordance with the Assignment Agreement without the necessity of prior approval from the governing body, in accordance with N.J.S.A. 40A:5-17 and the appropriate provisions of the Local Fiscal Affairs Law, N.J.S.A. 40A:5-1 et seq.

E. Assignment of C-PACE Assessments.

1. Pursuant to an Assignment Agreement between the Municipality and a Qualified Capital Provider, a C-PACE Assessment shall be assigned directly by the Municipality, and any assignee thereof, to a Qualified Capital Provider, as security for the Direct Financing provided by the Qualified Capital Provider to finance a C-PACE Project.

2. The assignment of C-PACE Assessments shall be an absolute assignment of all of the Municipality's right, title, and interest in and to the C-PACE Assessments, except for the Municipality's obligations to levy, bill, collect, remit, and enforce C-PACE Assessments.

F. Obligation to Report Certain Events to the Authority. The Municipality shall maintain records of the following events and the Municipal C-PACE Liaison shall report such events to the Authority no later than thirty (30) days after the occurrence of any such event: (i) a delinquency in the payment of a C-PACE Assessment; (ii) the commencement of foreclosure proceedings with respect to a C-PACE Assessment; and (iii) the completion of foreclosure proceedings with respect to a C-PACE Assessment.

G. Municipal Annual Fee. The Municipality shall be entitled to charge an Eligible Owner a Municipal Annual Fee once per year for the Municipality's activities in relation to the Direct Financing and its continued obligation of billing, collecting, and remitting the C-PACE Assessment with respect to the C-PACE Project. The Municipal Annual Fee may be billed together with the C-PACE Assessment and payable in respect of one quarter each year, such amount to be retained by the Municipality before remitting the balance to the Qualified capital Provider, or the Municipal Annual Fee may be billed separately. The amount of the Municipal Annual Fee shall be as set forth in Schedule I, shall not be revised without providing prior written notice to the Authority, and shall not exceed the amount set forth in the Program Guidelines. Any increase in the amount of the Municipal Annual Fee shall not apply retroactively to any prior Municipal Annual Fee paid for a C-PACE project that was previously approved but shall apply to all prospective Municipal Annual Fees for all C-PACE Projects, including any C-PACE Project with an existing C-PACE Assessment. Recording of C-PACE Project Documents. The Municipality acknowledges and agrees that certain Uniform Assessment Documents and each amendment to such documents are required to be recorded within the time and in the manner as required in the Program Guidelines. The Municipality shall designate on Schedule I whether the responsibility to record or arrange for the recording of such documents shall be the Municipality's or the Qualified Capital Provider's. The Municipality's designation as set forth on Schedule I shall not be revised without providing prior written notice to the Authority, and any such revision shall not apply retroactively to any recording for a C-PACE Project that was previously approved but shall apply to all prospective recordings for all C-PACE Projects, including any C-PACE Project with an existing C-PACE Assessment.

H. Indemnification. To the fullest extent permitted by Applicable Law, the Municipality shall release, defend, indemnify and hold harmless the Authority and its directors, employees, consultants, agents, successors, and assigns (collectively, "Indemnified Parties") from and against any and all liability for losses (including property damage, injury or death) arising from third party claims to the extent such losses arise out of, or as a consequence of, the subject matter of this Garden State Program Agreement, provided, however, that the foregoing

indemnification and protections shall not extend to any losses, claims, damages, liabilities, or costs arising from the gross negligence or willful misconduct of the Indemnified Parties.

Section 4 – Term; Termination for Convenience; Termination for Cause.

A. Commencement of Term. The term of this Garden State Program Agreement shall commence upon the date first written above.

B. Termination of Participation by the Municipality: The Municipality may terminate its participation in the Program for any reason by providing ninety (90) days prior written notice to the Authority or in the case of a material change to the Program, by providing written notice to the Authority within sixty (60) days of the material change to the Program with such a termination being effective fifteen (15) days after the written notice; provided, however, that any termination shall not be effective with respect to any continuing obligations of the Municipality relating to any C-PACE Assessments that have not been paid or otherwise discharged in full, and all such continuing obligations of the Municipality relating to such C-PACE Assessments shall continue until all such C-PACE Assessments have been paid or otherwise discharged in full.

D. Termination by Authority for Cause. If the Municipality fails to comply with a requirement of the Program, including, but not limited to, requirements in the Program Guidelines or in this Garden State Program Agreement, the Authority may revoke the designation as a Participating Municipality, which shall be in addition to any remedy any other individual or entity may have; provided, however, that any such termination for cause shall not relieve or terminate the Municipality's duties, obligations, and responsibilities with respect to any C-PACE Project located within the Municipality that received the approval of the Authority prior to the date of termination and with respect to all continuing obligations of the Municipality relating to any C-PACE Assessments that have not been paid or otherwise discharged in full, and all such continuing obligations of the Municipality relating to such C-PACE Assessments shall survive and continue until all such C-PACE Assessments have been paid or otherwise discharged in full.

E. Ongoing Obligation with respect to Continuing C-PACE Assessments. Notwithstanding anything to the contrary in this Garden State Program Agreement, for so long as there are any C-PACE Projects on Eligible Properties located within the Municipality that are subject to C-PACE Assessments, the Municipality's obligations hereunder shall survive and remain in full force and effect with respect to such C-PACE Assessments until all such C-PACE Assessments have been paid or otherwise discharged in full.

Section 5 – Miscellaneous.

A. Rules of Construction. If and to the extent there is any conflict or inconsistency between the C-PACE Act and this Garden State Program Agreement, the C-PACE Act shall control. If and to the extent there is any conflict or inconsistency between this Garden State Program Agreement and the Program Guidelines, the Program Guidelines shall control.

B. Severability. If any term or provision of this Garden State Program Agreement, or the application thereof to any person or circumstances, shall, to any extent, be held illegal, invalid or unenforceable by any court of competent jurisdiction, the remainder of this Garden State Program Agreement, or the application of such term or provision to persons or circumstances other

than those as to which it is held illegal, invalid or unenforceable, shall not be invalidated, rendered unenforceable, or otherwise affected thereby, and each term and provision of this Garden State Program Agreement shall be valid and be enforceable to the fullest extent permitted by law.

C. Counterparts. This Garden State Program Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute but one and the same instrument.

D. Notices. All notices, requests, consents and other communications shall be in writing and shall be delivered by any of the following methods: (i) by first class mail, postage prepaid; (ii) by overnight delivery service; or (iii) by messenger delivery service. Notices may also be sent by confirmed email and shall be deemed to have been given upon confirmation of receipt by either automatic read receipt or email confirmation by the recipient and so long as follow-up notice is sent by the methods set forth in clauses (i), (ii), or (iii) of the previous sentence.

If to the Municipality:

[Address]

Attention:

Email:

Fax:

If to the Authority:

New Jersey Economic Development Authority
36 W. State Street, Trenton, New Jersey 08608

Attention:

Email:

Fax:

E. Amendment and Waivers. Except as otherwise set forth in this Garden State Program Agreement, any amendment to or waiver of any provision of this Agreement must be in writing and mutually agreed to by the Authority and the Municipality.

F. Governing Law and Venue. This Garden State Program Agreement and its provisions shall be governed by and construed in accordance with the laws of the State of New Jersey. In any action, in equity or law, with respect to the enforcement or interpretation of this Garden State Program Agreement, venue shall be in the County of Mercer State of New Jersey. Any and all claims made or to be made against the Authority based in tort law shall be governed by and subject to the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., and any and all claims made or to be made against the Authority based in contract law shall be governed by and subject to the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. as if incorporated here.

G. Entire Agreement. This instrument constitutes the entire agreement between the parties and supersedes all previous discussions, understandings and agreements between the parties relating to the subject matter of this Garden State Program Agreement.

H. Headings. The headings in this Garden State Program Agreement are solely for convenience, do not constitute a part of this Garden State Program Agreement, and do not affect its meaning or construction.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the Municipality and the Authority have each caused this Garden State Program Agreement to be executed and delivered as of the date first set forth above:

(SEAL)

ATTEST:

[NAME OF MUNICIPALITY]

By: _____
[Name]
[Title]

ATTEST:

**NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
[Name]
[Title]

[Signature Page to Agreement]

SCHEDULE I

DESIGNATION OF RESPONSIBILITY TO RECORD C-PACE PROJECT DOCUMENTS

Pursuant to Section 3 of the Garden State Program Agreement to which this Schedule I is attached, the Municipality designates the following party to be responsible for the recording of Uniform Assessment Documents, as may be required:

- Municipality
- Qualified Capital Provider

MUNICIPAL C-PACE FEES

Pursuant to Section 3 of the Garden State Program Agreement to which this Schedule I is attached, in accordance with the Program Guidelines and subject to the limitations set forth therein, the Municipality shall charge the following fees to Eligible Owners in connection with C-PACE Assessments:

C-PACE Projects less than or equal to \$15M:

C-PACE Projects greater than \$15M:



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 15, 2025

SUBJECT: MOU with Port Authority of New York and New Jersey to Purchase Zero-Emission Vehicles

Request

The Members are asked to approve:

1. Entering into a Memorandum of Understanding (“MOU”) with the Port Authority of New York and New Jersey (“PANYNJ”) to support PANYNJ’s procurement of new light duty, medium duty, and heavy duty zero- emission vehicles (“ZEVs”), which shall be used for PANYNJ operations (“Project”).
2. Utilization of up to \$15,000,000 of RGGI funds (“Funds”) provided by NJEDA to PANYNJ to complete the Project.

Background:

The Regional Greenhouse Gas Initiative (RGGI) is a multi-state, market-based “cap-and-invest” program that establishes a regional cap on carbon dioxide (CO2) emissions from the electric power generation sector and therefore allows for auctioning of emissions rights. States use the proceeds from the CO2 allowance auctions to invest in programs to help further reduce CO2 and other greenhouse gas pollution, spur clean and renewable energy, and provide relief on energy bills. New Jersey’s RGGI funds allocation is governed by the Global Warming Response Act (N.J.S.A. 26:2C-37 et seq.).

Per New Jersey’s 2023-2025 RGGI Strategic Funding Plan, the State will deploy RGGI funds within four initiative categories. This proposed funding aligns with the second initiative: Catalyze Clean, Equitable Transportation.

Policy Alignment:

In 2018, Governor Murphy first shared his economic development strategic plan, “The State of Innovation: Building a Stronger and Fairer Economy in New Jersey.” The plan detailed goals and provided a framework to achieve tremendous economic growth for the State. More specifically, the plan set forth, amongst other key areas of focus, innovations in clean energy and advanced transportation as a path to catalyze economic growth.

Alongside the State’s economic agenda, New Jersey has ambitious climate policies to accelerate decarbonization. The New Jersey Global Warming Response Act (“GWRA”), set

a goal of reducing carbon emissions to 80% below 2006 levels by the year 2050. In 2023, Governor Murphy subsequently accelerated this goal to 2035 with Executive Order 315.

Complementing the GWRA, the 2019 Energy Master Plan, emphasizing 100% clean energy, establishes emission reductions from medium- and heavy-duty transportation. Under the 2019 Energy Master Plan, 50% of heavy-duty vehicles must be ZEVs by 2050.

In addition, New Jersey's Electric Vehicle ("EV") Law, N.J.S.A. 48:25-1 through -20, sets requirements to advance the adoption of EVs across the State, including by establishing Plug-In EV sale and lease targets, instituting an EV incentive program, increasing publicly accessible charging infrastructure, and electrifying state-owned and publicly owned fleets.

To effectively meet these policy goals and mandates, EDA plans to provide its RGGI funding to PANYNJ to purchase new light duty, medium duty, and heavy-duty ZEVs that produce no harmful tailpipe emissions, which shall be used for PANYNJ operations.

PANYNJ's purchase of these ZEVs with RGGI dollars furthers transportation decarbonization and greenhouse gas mitigation in the state. Not only is PANYNJ a government entity with one of the largest fleets in operation, but their vehicle usage also overlaps closely with state-designated Overburdened Communities (OBCs) and Adjacent Communities as defined by the New Jersey Environmental Justice Law (N.J.S.A 13:1D-157) and Rules (N.J.A.C. 7:1C-1.1). The Global Warming Solutions Fund Rules and RGGI Strategic Funding Plan call for RGGI funds to be prioritized for OBCs to be directly responsive to the negative effects on human health and the environment in communities that are disproportionately impacted by the effects of environmental degradation and climate change. Specifically, the 2023-2025 Funding Plans calls for "electrifying light, medium and heavy-duty vehicles benefiting environmental justice communities" and also directly references the PANYNJ facilities noting the "proximity of many of these neighborhoods to the State's port system."

Project Details

To support the State's efforts to decarbonize the transportation sector by promoting vehicle electrification, NJEDA will provide PANYNJ with up to \$15,000,000 of its RGGI Funds to procure new light duty, medium duty, and heavy-duty ZEVs, which produce no harmful tailpipe emissions. As one of the largest government fleets in the region and an entity with substantial vehicle operations in State Overburdened Communities, electrifying PANYNJ's fleet aligns directly with the 2023-2025 RGGI Strategic Funding Plan. Zero-emission vehicles continue to have a higher up-front capital cost than combustion vehicle options. Pending availability of funding, NJEDA is open to providing similar support to assist with facilitating the decarbonization of the fleets of other transportation-focused state entities.

NJEDA shall have the following responsibilities under the proposed MOU (Exhibit A). NJEDA shall:

1. Provide the RGGI Funds to PANYNJ in accordance with Section 5 of the MOU;

2. Schedule annual check-in meetings (or more often as needed) with PANYNJ to track the progress of PANYNJ carrying out its responsibilities as outlined in Section 4 of the MOU; and
3. Report updates on Project progress and spending of RGGI funds allocated for this Project to NJDEP quarterly.

PANYNJ shall have the following responsibilities under the proposed MOU. PANYNJ shall:

1. Procure, self-insure, maintain ownership of and put into service the new ZEVs listed in Exhibit A, or comparable ZEVs of any class as pre-approved by NJEDA, which shall be used for PANYNJ operations. Notwithstanding the foregoing, PANYNJ is not obligated to procure any ZEVs described in Exhibit A or as otherwise would be approved by NJEDA.
2. Register all newly purchased ZEVs, as applicable, with the New Jersey Motor Vehicle Commission and/or ensure that all ZEVs are domiciled and primarily used in New Jersey;
3. Participate in annual check-in meetings with NJEDA to report on the status of the Project and related activities described in Section 4 of the MOU as scheduled by NJEDA or on an as-needed cadence at NJEDA's reasonable discretion;
4. Within 4 months of the Effective Date of this MOU, submit to NJEDA a Project plan and Project timeline, using a template created by PANYNJ and approved by NJEDA, which includes but is not limited to a description of the Project's estimated procurement schedule, the procurement budget, and estimated mileage of each ZEV as applicable;
5. Beginning the first full calendar quarter following the Effective Date, PANYNJ shall submit quarterly Project reports to NJEDA on or before the last day of the month following the end of each quarter, which shall include:
 - a. The status of the Project;
 - b. An accounting of how Funds have been utilized;
 - c. A summary of unreimbursed ZEV procurements;
6. Provide NJEDA with an annual progress report each January using a template created by PANYNJ and approved by NJEDA that describes the progress on the Project, including, but not limited to:
 - a. challenges in procuring ZEVs;
 - b. any technical or operational issues, including list of vehicle(s) taken out of service for such reason(s); and
 - c. annual mileage driven by the ZEVs until expiration/termination of the MOU.

Funding

NJEDA shall provide PANYNJ with up to \$15,000,000 ("Funds") of its RGGI Fund allocation, payable on a reimbursement basis upon PANYNJ's submission of reimbursement requests.

Funding for new zero emission buses will support the full purchase price of these vehicles given operational adjustments required for electric bus operations and increased risk. For other vehicles where zero emission vehicles are replacing existing vehicles in PANYNJ's fleet, funds will cover the cost difference between zero emission options and comparable internal combustion vehicles.

The Funds shall be used solely for the purposes set forth in the MOU. PANYNJ will request reimbursement for actual expenditures incurred.

If NJEDA is unable to provide PANYNJ with sufficient Funds to complete the Project, NJEDA shall have the right to reduce the scope of the MOU via a written amendment to the MOU signed by the Parties or terminate the MOU pursuant to Section 7.

Recommendation

The Members are asked to approve:

1. Entering into an MOU with the Port Authority of New York and New Jersey to support PANYNJ's procurement of new light duty, medium duty, and heavy duty zero-emission vehicles, which shall be used for PANYNJ operations.
2. Utilization of \$15,000,000 of RGGI Funds provided by NJEDA to PANYNJ to complete the Project.



Tim Sullivan, CEO

Prepared by:

Sean Sonnemann, Manager, Clean Energy

Attachments:

Exhibit A: MOU Between the NJEDA and PANYNJ to Purchase Zero-Emissions Vehicles

**MEMORANDUM OF UNDERSTANDING
BETWEEN
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
AND
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

This **MEMORANDUM OF UNDERSTANDING** ("MOU"), made on this ____ day of _____, 20____, and effective as of the date of the last signature of the parties hereto (the "Effective Date"), is between NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY ("NJEDA"), located at 36 West State Street, PO Box 990, Trenton, NJ 08625 and THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY ("PANYNJ"), located at 150 Greenwich Street, New York, New York, 10007 (each a "Party", and collectively "the Parties").

WHEREAS, NJEDA is an independent State authority established pursuant to N.J.S.A. 34:1B-1, et seq., in but not of the Department of Treasury, which serves as the State's principal agency for driving economic growth; and

WHEREAS, PANYNJ is a body corporate and politic created by compact between the States of New York and New Jersey with the consent of the Congress of the United States that builds, operates and maintains important transportation and trade infrastructure assets through air, land, rail and sea; and

WHEREAS, the Regional Greenhouse Gas Initiative ("RGGI") is a cooperative effort among the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont to cap and reduce greenhouse gas emissions from the electricity generating sector; and

WHEREAS, each RGGI state established its own CO2 Budget Trading Program which limits emissions of CO2 from electric power plants, issues CO2 allowances and establishes participation in regional CO2 allowance auctions, which together compose a regional cap and market for allowances; and

WHEREAS, New Jersey enacted the Global Warming Response Act ("the Act") at N.J.S.A. 26:2C-37 to -68, which set a goal of reducing emissions of climate pollutants to 80% below 2006 levels by the year 2050. The Act enabled the State to participate in a CO2 emission trading program, established specific state agency funding allocations and programmatic areas of focus, and established the Global Warming Solutions Fund ("RGGI Fund") at N.J.S.A. 26:2C-50, with rules at N.J.A.C. 7:27D-1 to -3.1; and

WHEREAS, the Act sets forth the terms and conditions applicable to the distribution of New Jersey's RGGI Fund allocations (N.J.S.A. 26:2C-51); and

WHEREAS, the RGGI Fund is allocated by percentage to three state agencies (60% to NJEDA, 20% to the New Jersey Board of Public Utilities ("NJBPU"), and 20% to the New Jersey Department of Environmental Protection ("NJDEP"), and those agencies are required to spend such funds within specific program areas; and

WHEREAS, N.J.S.A. 26:2C-51(b)(1) requires NJEDA to utilize its 60% allocation of RGGI Funds to provide grants and other forms of financial assistance to commercial, institutional, and industrial entities to support, amongst other things, “end-use energy efficiency projects and new, efficient electric generation facilities that are state of the art...including but not limited to energy efficiency and renewable energy applications, to develop combined heat and power production and other high efficiency electric generation facilities, to stimulate or reward investment in the development of innovative carbon emissions abatement technologies with significant carbon emissions reduction or avoidance potential”; and

WHEREAS, Pursuant to N.J.A.C. 7:27D-1.2, “institutional” means serving a non-profit or public purpose, such as a library, hospital, public school, institution of higher education, municipal utility, public recreation or cultural facility, or government entity; and

WHEREAS, the 2023-2025 RGGI Strategic Funding Plan jointly created by NJEDA, NJBPU and NJDEP includes “Initiative 2: Catalyze Clean, Equitable Transportation” that calls for RGGI funds to be used for light-, medium-, and heavy-duty vehicle and equipment electrification to reduce emissions from transportation sources; and

WHEREAS, in order to further the State’s efforts to decarbonize the transportation sector by promoting vehicle electrification, NJEDA desires to use up to 15,000,000 of its RGGI Fund allocation to assist PANYNJ to procure new light duty, medium duty, and heavy duty zero-emission vehicles and equipment (collectively, the “ZEVs”) for PANYNJ operations (the “Project”); and

WHEREAS, N.J.S.A. 52:14-2 authorizes government entities to call upon any department, office, division or agency of the State to assist with its mission. This MOU shall be administered consistent with N.J.S.A. 52:14-1, et seq.; and

WHEREAS, NJEDA has full power and authority under applicable State laws (including the provisions referenced in these recitals) to enter into this MOU and provide funding as described herein;

WHEREAS, PANYNJ has full power and authority under applicable State and federal laws (including the provisions referenced in these recitals) to enter into this MOU, accept and use the funding as described herein;

WHEREAS, the Parties have determined that they can assist each other with the implementation of the Project by providing the support outlined below, and that it is mutually beneficial to enter into this MOU.

NOW THEREFORE, the Parties hereby agree as follows:

1. **Incorporation**. The recitals set forth above are hereby incorporated into and made part of this MOU.

2. Purpose of MOU. The Parties are entering into this MOU to document the mutual understanding and intention of the Parties in carrying out their respective obligations under this MOU.
3. Responsibilities of NJEDA. NJEDA shall:
 - a. Provide up to \$15,000,000 of its RGGI Fund allocation (the “Funds”) to PANYNJ in accordance with Section 5 below;
 - b. Schedule check-in meetings on an annual, or as needed, basis with PANYNJ to track the progress of the activities outlined in Section 4 of this MOU; and
 - c. Report updates on Project progress and spending of RGGI funds allocated for this Project to NJDEP quarterly.
4. Responsibilities of PANYNJ. PANYNJ shall:
 - a. Procure, self-insure, maintain ownership of and put into service new and replacement ZEVs as described in Exhibit A, or comparable ZEVs of any class as pre-approved by NJEDA, which shall be used for PANYNJ operations;
 - i. Notwithstanding the foregoing, PANYNJ is not obligated to procure any of the ZEVs, or class of ZEVs, as described in Exhibit A.
 - b. Register all ZEVs purchased with the Funds and requiring registration with the New Jersey Motor Vehicle Commission and ensure that all such ZEVs are domiciled and primarily used in New Jersey;
 - c. Participate in annual check-in meetings with NJEDA to report on the status of the Project and related activities described in this Section 4, as scheduled by NJEDA, or on an as-needed cadence at NJEDA’s reasonable discretion;
 - d. Within 4 months of the Effective Date of this MOU, submit to NJEDA a Project plan and Project timeline, using a template created by PANYNJ and approved by NJEDA, which includes but is not limited to a description of the Project’s estimated procurement schedule, the procurement budget, and estimated mileage to be driven by each ZEV as applicable;
 - e. Beginning the first full calendar quarter following the Effective Date, PANYNJ shall submit quarterly Project reports to NJEDA on or before the last day of the month following the end of each quarter, which shall include:
 - 1) the status of the Project;
 - 2) an accounting of how Funds have been utilized; and
 - 3) a summary of unreimbursed ZEV procurements.

- f. Provide NJEDA with an annual progress report each January using a template created by PANYNJ and approved by NJEDA that describes the progress on the Project, including, but not limited to, information such as
 - challenges in procuring ZEVs,
 - any technical or operational issues, including list of vehicle(s) taken out of service for such reason(s), and
 - annual mileage driven by the ZEVs until expiration/termination of the MOU;
- g. PANYNJ will maintain accurate records of all expenses incurred and reimbursed with the Funds and any documentation substantiating such expenses and will retain such records for a period of five (5) years following the final payment of funds to PANYNJ pursuant to this MOU. Throughout the term of the MOU and for five (5) years after the final payment, NJEDA will have the right to audit PANYNJ expense records and documentation related to this MOU. The provision of this paragraph (g) shall survive termination or expiration of this MOU.

5. **Funding.**

- a. NJEDA shall provide PANYNJ with the Funds on a reimbursement basis upon PANYNJ's submission of reimbursement requests pursuant to this Section 5 and using a form provided by the NJEDA;
- b. All purchases of the subject ZEVs shall be made and all requests for reimbursement shall be submitted to the NJEDA by end of fourth year of the Term of this MOU;
- c. The Funds shall be used solely for reimbursing PANYNJ for the following costs:
 - For new zero-emission buses: the full purchase price of the new zero-emission vehicle; and
 - For all other ZEVs: the actual EV cost difference (i.e. the cost differential between purchasing a new internal combustion engine vehicle and a new zero-emission vehicle).
- d. PANYNJ shall submit requests for reimbursement to NJEDA within six (6) months of the purchase of each ZEV. Reimbursement requests shall be compiled and submitted to NJEDA no more frequently than once per month.
- e. Each request for reimbursement submitted to NJEDA by PANYNJ shall include an itemization of actual expenditures incurred, a description of each expenditure, and documentary evidence supporting such expenditure, to NJEDA's satisfaction including but not limited to, for replacement vehicles, recent PANYNJ pricing data or vendor/manufacturer quote for comparable internal combustion engine vehicles. Such documentary evidence may be in the form of work orders, contracts, invoices, pay receipts, or any other form, as deemed appropriate by NJEDA.
- f. NJEDA will notify PANYNJ of any issues with PANYNJ's reimbursement requests and/or supporting documentation and PANYNJ will be given 60 business

days to submit an amended request for reimbursement with additional or revised information/documentation.

- g. If NJEDA is unable to provide PANYNJ with sufficient Funds to complete the Project, NJEDA shall have the right to reduce the maximum amount of funding listed under Section 3(a) of this MOU via a written amendment to this MOU signed by the Parties or terminate this MOU pursuant to Section 7 below. NJEDA shall promptly notify PANYNJ in the event that the maximum amount of funding listed under Section 3(a) cannot be provided by NJEDA.
- h. PANYNJ will submit reimbursement requests to the NJEDA at APinvoices@njeda.gov, with a copy to dan.fatton@njeda.gov or other designated contact.
- i. In the event a ZEV procured pursuant to this MOU is taken out of service by PANYNJ for technical or operational issues prior to the expiration or termination of the MOU, PANYNJ shall not be required or obligated in any way to return or reimburse NJEDA for any Funds provided by NJEDA for the procurement of said vehicle.

6. **Designation of Contacts.** The Parties have designated the following contacts, who will be responsible for day-to-day communications between the Parties related to this MOU. The Parties will notify each other of any designated contact change in writing within ten (10) business days of such change:

For NJEDA:

Dan Fatton
36 West State St,
Trenton, NJ 08625
Dan.fatton@njeda.gov

For PANYNJ:

Mark Gernavage
241 Erie Street
Jersey City, NJ 07310
mgernavage@panynj.gov

7. **Term and Extension.** This MOU shall remain in effect for five (5) years from the Effective Date (the “Term”). The Parties may extend the MOU for one (1) additional year by mutual consent, provided that such consent is in writing, and signed by the authorized representatives of each Party.
 - a. This MOU may be terminated by either Party for convenience or without cause with thirty (30) days’ written notice to the other Party. Upon the date of termination, PANYNJ shall be prohibited from using the Funds for any further activity under the MOU, except for payment of invoices for services that preceded termination.
 - b. Either Party may terminate this MOU in the event of a breach of this MOU by the other Party, provided that the breaching Party is afforded written notice and ten (10) business days to cure such breach. In the event the breach is not cured after ten (10) business days, the MOU shall terminate. Upon the date of termination, PANYNJ

shall be prohibited from using the Funds for any further activity under the MOU, except for payment of invoices for services that preceded termination.

- c. Upon the expiration of this MOU, or upon termination pursuant to a. and b. above,
 - (i) NJEDA agrees to cooperate with PANYNJ to address and pay all outstanding reimbursement requests submitted prior to expiration or termination of the MOU.
8. Notices. All legal notices (not including day-to-day business communications) from one Party to the other regarding this MOU shall be sent to the designated contacts provided below. The Parties will notify each other in writing of any change in these contacts within ten (10) business days:

NJEDA	PANYNJ
Tim Sullivan, CEO 36 West State Street P.O. Box 990 Trenton, NJ 08625	Elizabeth McCarthy, Chief Financial Officer 4 World Trade Center 150 Greenwich Street, 23 rd Floor New York, N.Y. 10007 With copy to: Amy Fisher, General Counsel 4 World Trade Center 150 Greenwich Street, 23rd Floor New York, N.Y. 10007

9. Assignment. This MOU may not be assigned by a Party without the prior written consent of the other Party. Any and all assignments not made in accordance with this section are void.
10. Third-Party Beneficiaries. This MOU is intended for the sole benefit of the Parties and shall not be construed to create any third-party beneficiary.
11. Dispute Resolution. In the event a dispute arises between the Parties concerning this MOU, the CEO of NJEDA and the Executive Director of PANYNJ or their appointed representatives, shall meet to resolve such dispute.
12. Applicable Law, Forum and Venue. Each Party shall be responsible for adhering to all applicable laws and regulations in the performance of its obligations under this MOU. This MOU shall be governed by the laws of the State of New Jersey, without regard to its conflict of laws provision.
13. Publicity and Public Announcements. Each Party agrees to obtain permission of the other Party before using the name of the other Party in any public announcement or other publicity.

14. Counterparts. This MOU may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
15. Electronic Signatures. The Parties agree that the execution of this MOU by electronic signature and/or by exchanging PDF signatures will have the same legal force and effect as the exchange of original signatures.
16. Entire Agreement. This MOU reflects the entire understanding of the Parties, and it supersedes any prior understandings of the Parties. It may not be amended, modified, or supplemented except by mutual consent of the Parties in writing and signed by the authorized representatives of each Party.
17. Miscellaneous.
 - a. The Parties acknowledge that the successful completion of each Party's duties hereunder will require cooperation between the Parties. The Parties agree to work cooperatively to achieve the goals of this MOU.
 - b. The Parties agree to strictly control the use and retention of any personal and confidential information provided by the other Party so that only personnel who have a need to know have access to such information. No further dissemination or use of such information is authorized without written permission of the Party from which such information originated, unless required by law.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed by their duly authorized representatives.

For NJEDA	For PANYNJ
Name:	Name:
Title:	Title:
Signature:	Signature:
Date:	Date:

Attachment:

Exhibit A – Project Vehicles and Equipment

Exhibit A –Project Vehicles and Equipment
Total Reimbursement Amount not to exceed \$15,000,0000

A.1 Light Duty Vehicles Proposed for Replacement

Make	Model	Category Description	Estimated EV Cost Difference
TOYOTA	PRIUS	CAR - HATCHBACK	\$5,000
TOYOTA	PRIUS	CAR - HATCHBACK	\$5,000
TOYOTA	PRIUS	CAR - HATCHBACK	\$5,000
TOYOTA	PRIUS	CAR - HATCHBACK	\$5,000
TOYOTA	PRIUS	CAR - HATCHBACK	\$5,000
CHEVROLET	EQUINOX	SUV - COMPACT	\$20,000
CHEVROLET	EQUINOX	SUV - COMPACT	\$20,000
CHEVROLET	EQUINOX	SUV - COMPACT	\$20,000
CHEVROLET	EQUINOX	SUV - COMPACT	\$20,000
CHEVROLET	EQUINOX	SUV - COMPACT	\$20,000
FORD	ESCAPE	SUV - COMPACT	\$20,000
FORD	ESCAPE	SUV - COMPACT	\$20,000
FORD	ESCAPE	SUV - COMPACT	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	E-350	VAN - CARGO FULL SIZE	\$35,000
FORD	T-350	VAN - CARGO FULL SIZE	\$35,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	T-350	VAN - CARGO FULL SIZE	\$35,000
FORD	T-350	VAN - CARGO FULL SIZE	\$35,000
FORD	T-350	VAN - CARGO FULL SIZE	\$35,000
FREIGHTLINER	SPRINTER	VAN - PASSENGER FULL SIZE	\$90,000
FORD	T-150	VAN - PASSENGER FULL SIZE	\$90,000

FORD	T-150	VAN - PASSENGER FULL SIZE	\$90,000
FORD	T-150	VAN - PASSENGER FULL SIZE	\$90,000
CHEVROLET	VAN	VAN - PASSENGER FULL SIZE	\$90,000
NISSAN	VAN	VAN - PASSENGER FULL SIZE	\$90,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FORD	EXPLORER	SUV - MIDSIZE	\$20,000
FREIGHTLINER	SPRINTER	VAN - CARGO FULL SIZE	\$35,000
FORD	T-150	VAN - CARGO FULL SIZE	\$35,000
FORD	T-150	VAN - CARGO FULL SIZE	\$35,000
FORD	T-150	VAN - CARGO FULL SIZE	\$35,000
FORD	T-150	VAN - CARGO FULL SIZE	\$35,000
FORD	T-150	VAN - CARGO FULL SIZE	\$35,000
FORD	T-350	VAN - CARGO FULL SIZE	\$35,000
FORD	T-350	VAN - CARGO FULL SIZE	\$35,000
FORD	T-350	VAN - CARGO FULL SIZE	\$35,000
FORD	T-350	VAN - CARGO FULL SIZE	\$35,000

A.2 Medium/Heavy Duty Vehicles Proposed for Replacement

Make	Model	Category Description	Estimated EV Cost Difference
FREIGHTLINER	M2106	TRUCK - HEAVY DUTY SWEEPER 4X2	\$440,000
GLOBAL	M4 HSD	TRUCK - HEAVY DUTY SWEEPER 4X2	\$440,000
GLOBAL	M4 HSD	TRUCK - HEAVY DUTY SWEEPER 4X2	\$440,000
FORD	F-650	TRUCK - MEDIUM DUTY RACK 4X2	\$100,000
FORD	F-350	PICKUP - HEAVY DUTY 4X4 CC SVC	\$50,000

FORD	F-350	PICKUP - HEAVY DUTY 4X4 UTILITY	\$50,000
FORD	F-350	PICKUP - HEAVY DUTY 4X4 UTILITY	\$50,000
FORD	F-350	PICKUP - HEAVY DUTY 4X4 UTILITY	\$50,000
GMC	K-3500	PICKUP - HEAVY DUTY 4X4 UTILITY	\$50,000
FORD	F-350	PICKUP - HEAVY DUTY 4X4 UTILITY	\$50,000
FORD	F-650	PICKUP - HEAVY DUTY 4X2 UTILITY	\$50,000
INTERNATIONAL	4300	TRUCK - HEAVY DUTY BUCKETS PLATFORMS 4X2	\$150,000

A.3. Off-road Equipment proposed for replacement

Make	Model	Category Description	Estimated EV Cost Difference
CASE	821	LOADER - WHEEL LOADER	\$150,000
KOMATSU	WA380-8	LOADER - WHEEL LOADER	\$150,000
KOMATSU	WA380-8	LOADER - WHEEL LOADER	\$150,000
CASE	821F	LOADER - WHEEL LOADER	\$150,000
KOMATSU	WA380-8	LOADER - WHEEL LOADER	\$150,000
KOMATSU	WA380-8	LOADER - WHEEL LOADER	\$150,000

A.4 Emergency Response Vehicles

Make	Model	Description	Estimated EV Cost Difference
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000

Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000
Chevrolet	Silverado EV	Emergency Response Vehicle	\$15,000

A.5 Electric Buses

Make	Model	Description	Estimated Cost (Full Price) per Vehicle
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000
New Flyer	XE40	Transit Bus	\$1,300,000

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 15, 2025

RE: New Jersey Green Workforce Training Grant Challenge Phase 2

Summary

The Members are requested to approve:

- (1) The creation of the New Jersey Green Workforce Training Grant Challenge Phase 2 (“Grant Challenge”), a competitively scored program that will award grants to selected applicants to implement workforce training and skills programs focused on strengthening and diversifying New Jersey’s green economy talent pipeline.
- (2) The utilization of up to \$4 million provided through the Addendum One to the Council on the Green Economy Memorandum of Understanding (“Addendum One”) between New Jersey Economic Development Authority (“NJEDA” or “Authority”) and the New Jersey Department of Environmental Protection (“NJDEP”) was approved by the NJEDA Board on October 9, 2025, to fund the Grant Challenge.
- (3) Delegated Authority to the Chief Executive Officer to grant a timeline extension of up to six (6) months, as necessary to support program objectives.

Background

Governor Murphy’s economic development plan, “The State of Innovation: Building a Stronger and Fairer New Jersey Economy”, identifies investment in our talent through apprenticeships, career readiness, and workforce development as one of the administration’s key priorities. The plan asserts a commitment to investing in people to empower New Jersey students and workers to take advantage of high-growth, high-wage jobs. In February 2021, Governor Murphy announced the creation of a Council on the Green Economy that convenes cross-sector leaders in New Jersey’s growing green economy to harness the opportunity created by the state’s robust climate and clean energy policy accomplishments.

The Council is overseen by the Office of Climate Action and the Green Economy (OCAGE), and is comprised of members from State entities, the business community, organized labor, utilities, environmental justice communities and organizations, and workforce development groups. The Council released a “Green Jobs for a Sustainable Future” report in September 2022 which defines the pathways for green job creation, development of workforce capacity, and support for an innovation ecosystem that will be critical to building a nation-leading green economy. The report defines the green economy as comprising the following five sectors: environmental infrastructure, grid infrastructure and storage, renewable generation and fuels, energy efficiency, and alternative vehicles,

which were chosen due to their alignment with New Jersey's green policy landscape, both currently and into the future. In September 2025, OCAGE released the "Growing Green Jobs: The Opportunities for New Jersey's Workforce" report, which identifies twelve (12) priority occupations needed to meet New Jersey's green economy goals ranging from Electricians to Solar Photovoltaic Installers.

In March of 2024, the NJEDA Board approved the first MOU with NJEDA and NJDEP, which enabled the NJDEP to provide \$5 million in funding to NJEDA to support the continued efforts of the Governor's Council on the Green Economy. NJEDA utilized these funds to conduct research studies and to create the New Jersey Green Workforce Training Grant Challenge to prepare New Jersey residents for jobs in the green economy, for which the Authority approved four applicants for awards totaling \$4,349,987. In September 2025, the NJEDA Board approved Addendum One to continue these efforts. The Grant Challenge, as set forth herein, builds on the initial 2024 Green Workforce Training Grant Challenge.

Program Overview

Upon approval, the Grant Challenge will be up to a \$4 million competitively scored funding opportunity for applicant entities that demonstrate their ability to implement workforce training programs that will position NJ residents for green economy careers, with a particular focus on advancing diversity, equity, and inclusion and serving New Jersey's Overburdened Communities. The grant program will prioritize support of training programs that connect participants with near-term job opportunities.

All applications must include at least one Community-Based Organization serving a NJ Overburdened Community either as the primary applicant or a collaborator to the primary applicant serving a defined role in the proposed program. Applicants must propose training programs for one of 12 priority occupations identified in the September 2025 [Growing Green Jobs Report: The Opportunities for New Jersey's Workforce](#) (please see Exhibit A: Grant Challenge Specification for more detail) and provide a career pathway that prepares and connects participants to at least one of the following industries:

- Renewable Energy Technologies,
- Green Design and Construction,
- Environmental and Green Infrastructure,
- Grid Resilience,
- Clean Transportation, or
- Energy Efficiency

The Grant Challenge program will be administered pursuant to, and applications will be evaluated and scored in accordance with, the Grant Challenge Specifications attached hereto as "Exhibit A: New Jersey Green Workforce Training Grant Challenge Program Specifications".

Program Funding

Upon approval by the Authority Board, the Grant Challenge will be funded by the Authority pursuant to Addendum One. Administrative costs are covered as part of Addendum One, and as such, staff requests the Board approve an application fee waiver for this Grant Challenge.

\$4 million is available for awards under this Grant Challenge. Minimum and maximum award amounts for individual awards are set at \$500,000 and \$800,000, respectively. NJEDA is anticipating applications from a broad range of applicants and expects to make multiple awards to applicants of the Grant Challenge.

Upon Board approval of the Grant Challenge award recipients, NJEDA will deposit the funds into NJEDA's Economic Recovery Fund and utilize the grant-making powers as defined in the New Jersey Economic Recovery Fund Act per N.J.S.A. 34:1B-7.13 a(12) to disburse funds to each awardee pursuant to the disbursement schedule included in Exhibit A. The statutory provision permits grant funding for initiative-based activities which stimulate growth in targeted industries as defined by NJEDA's Board or supports increasing diversity and inclusion within the State's entrepreneurial economy.

Delegated Authority

NJEDA staff requests delegated authority to the Chief Executive Officer to approve timeline extensions for Grantees to complete projects for up to six (6) months, as necessary to support program objectives.

Recommendation

The Members are requested to approve:

- (1) The creation of the New Jersey Green Workforce Training Grant Challenge Phase 2 ("Grant Challenge"), a competitively scored program that will award grants to selected applicants to implement workforce training and skills programs focused on strengthening and diversifying New Jersey's green economy talent pipeline.
- (2) The utilization of up to \$4 million provided through the Addendum One to the Council on the Green Economy Memorandum of Understanding ("Addendum One") between New Jersey Economic Development Authority ("NJEDA" or "Authority") and the New Jersey Department of Environmental Protection ("NJDEP") was approved by the NJEDA Board on October 9, 2025, to fund the Grant Challenge.
- (3) Delegated Authority to the Chief Executive Officer to grant a timeline extension of up to six (6) months, as necessary to support program objectives.



Tim Sullivan, CEO

Prepared by: Cathy Yuhas

Attachments

Exhibit A - New Jersey Green Workforce Training Grant Challenge Phase 2 Specifications

Exhibit A: New Jersey Green Workforce Training Grant Challenge Phase 2 Specifications

New Jersey Green Workforce Training Grant Challenge Phase 2 Program Specifications	
Product Type	Grant (Competitively Scored)
Program Purpose	<p>The New Jersey Green Workforce Training Grant Challenge Phase 2 (“Grant Challenge”) will provide New Jersey residents, with a particular focus on training individuals from New Jersey’s Overburdened Communities, with access to workforce development training, apprenticeship, and learning opportunities for green economy careers in the following industries: Renewable Energy Technologies, Green Design and Construction, Environmental and Green Infrastructure, Grid Resilience, Clean Transportation, or Energy Efficiency.</p> <p>The New Jersey Economic Development Authority (“NJEDA” or “Authority”) is seeking applications from entities who can provide skills development, workforce training, job placement, professional growth, wraparound services, and other related supports to implement workforce development initiatives that establish New Jersey’s talent pipeline and address identified labor market shortages for our burgeoning green economy.</p>
Funding Source	A total of \$4 million will be available through this program, with minimum and maximum award amounts set at \$500,000 and \$800,000, respectively. \$4 million will be provided through Addendum One to the Council on the Green Economy MOU between NJEDA/NJDEP approved by the NJEDA Board on October 9, 2025 (“Addendum One”).
Fees	Application fees will be waived. Per N.J.A.C. 19:30-6.1A, the Board may waive application fees when other sources of funding are available for the Authority’s administrative costs. The Authority’s administrative costs for the Grant Challenge will be covered by utilizing funds from Addendum One which allows NJEDA to use up to \$180,000 to cover administrative costs that are needed to administer programs funded pursuant to Addendum One.
Proposal Scope	<p>Applicants must submit applications that outline compelling plans to:</p> <ul style="list-style-type: none">• Implement an existing program or new program that will allow New Jerseyans to access workforce opportunities in high-growth and in-demand occupations in green economy industries, as referenced below by providing tangible skills and industry recognized credentials sought by employers in those industries. Components of programs must include direct workforce training/skill development, and, where relevant, support services such as access to career services, mentorship, family services (such as childcare, eldercare, or other similar services), counseling, transportation, etc.• Connect with industry and other stakeholders to design and/or implement a program that prepares and connects participants with near-term job opportunities in the green economy in high-growth and in-demand occupations. Applicants are expected to demonstrate that their proposed program will provide meaningful career opportunities through labor market research, employer and industry engagements, and other relevant analysis.• Develop and/or utilize outreach, recruitment best practices, program design approaches, and wraparound supports as needed such as mentorship, transportation, and childcare that target and support a diverse and inclusive pool of training participants to successfully complete the program.• Define program evaluation and success metrics such as: recruitment, enrollment, completion, job placement, and learning acquisition goals.

- Target and engage residents of New Jersey's Overburdened Communities with training opportunities that will enable economic mobility for these residents in green economy careers.
- Collect, track, and report programmatic data, including trainee demographics, trainee surveys, instructor evaluations, training enrollments and completions, and job placement and retention information.
- If applicable, include strategies to connect current and aspiring workforce with skills-based training targeted to transitioning legacy energy workers.
- Execute the proposed project on schedule, achieving well-defined milestones to complete the initiative.

Training programs must either be in-person or hybrid (include both a virtual component and an in-person component). The program must describe a clear approach to make the training accessible for and targeted to New Jersey residents and linked to New Jersey employment opportunities in the green economy occupations and industries.

Applicants will be required to conduct workforce development training, internship, apprenticeship, and learning opportunities in only one of the following occupations as identified in the September 2025 [Growing Green Jobs Report: The Opportunities for New Jersey's Workforce](#):

6-Digit Standard Occupational Classification (SOC) Codes	Occupation Name
47-2111	Electricians
47-2152	Plumbers, Pipefitters, and Steamfitters
49-9021	Heating, Air Conditioning, and Refrigeration Mechanics and Installers
47-1011	First-Line Supervisors of Construction Trades and Extraction Workers
47-2061	Construction Laborers
11-9021	Construction Managers
47-2211	Sheet Metal Workers
47-2031	Carpenters
51-4121	Welders, Cutters, Solderers, and Brazers
47-2073	Operating Engineers and Other Construction Equipment Operators
47-2231	Solar Photovoltaic Installers
49-9071	Maintenance and Repair Workers, General

Training programs for the eligible occupations must be tailored to career pathways in one or more of the following industries:

- Renewable Energy Technologies,
- Green Design and Construction,
- Environmental and Green Infrastructure,
- Grid Resilience,
- Clean Transportation, or
- Energy Efficiency

Applicants will be required to describe how they will tailor the training to the above industries.

Applicants will develop and/or utilize outreach and recruitment practices, program design approaches, and wraparound supports as needed such as mentorship, career readiness, transportation, and childcare that target and support a diverse and inclusive pool of training participants to successfully complete the program. Applicants will be required to define the

	<p>following program evaluation and success metrics: recruitment, enrollment, completion, job placement, and learning acquisition goals of the training program.</p> <p>At least three months of career readiness and job placement are required for each program participant post training, to provide trainees with opportunities, such as employment, paid internship, or apprenticeship within the industry and trained occupation. Applicants must describe their approach to providing these services.</p>
Eligible Applicants	<p>Eligible applicants include:</p> <ul style="list-style-type: none"> • Community-based organizations • Workforce training organizations • Labor unions • Technical high schools • County colleges • Non-profit organizations • Regional workforce development boards • Private companies • Other related entities <p>Applicants who are not a 501(c)(3) Community-Based Organization¹ (CBO) must include, at minimum, one CBO partner in their application. For the purposes of this Grant Challenge, a CBO is defined as a 501(c)(3) non-profit organization with demonstrated experience serving a NJ Overburdened Community (OBC) as defined by NJ's Environmental Justice Law².</p> <p>Non-CBO applicants must submit the following from their CBO Partner and CBO applicants must submit:</p> <ol style="list-style-type: none"> 1. Current IRS Form 990 from the CBO Partner to provide status as a 501(c)(3) non-profit organization, and 2. Letter from the CBO Partner detailing their experience serving a NJ OBC as defined by NJ's Environmental Justice Law. 3. Answer the following questions in the Application about the CBO Partner: <ul style="list-style-type: none"> • Which NJ OBC community(ies) does the CBO Partner serve? • Which specific services does the CBO Partner provide the community(ies) that they serve? • Provide the CBO's website address. • Upload the organization's current annual report of activities (if available) for the CBO Partner (optional).

¹ For the purposes of this Grant Challenge, a CBO is defined as a 501(c)(3) non-profit organization with demonstrated experience serving a NJ Overburdened Community as defined by NJ's Environmental Justice Law that provides direct services or supports to a specific geographic NJ community(ies) or specific segments of a New Jersey community(ies). For the purposes of this Grant Challenge, government entities, K-12 schools, and institutions of higher learning do not qualify as CBOs. However, these entities may be the applicant or an additional collaborator on the applicant team. Entities that are not 501(c)(3) organizations do not qualify as a CBO for the purposes of this grant challenge even if they serve a New Jersey Overburdened Community. Per the NJ Division of Taxation, a 501(c)(3) Organization refers to a nonprofit organization that has received a determination letter from the Internal Revenue Service (IRS) stating that the organization is exempt from federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. The term also may refer to a church or ministry that may qualify for an IRS 501(c)(3) determination letter, even though it does not intend to apply for an IRS determination.

² NJ's Environmental Justice Law at N.J.S.A 13:1D-158 defines overburdened communities as any census block group, as determined in accordance with the most recent United States Census in which: 1) at least 35 percent of the households qualify as low-income households; 2) at least 40 percent of residents identify as minority or as members of a State recognized tribal community; or 3) at least 40 percent of the households have limited English proficiency. NJDEP provides the public a list and visualizations of OBC locations throughout the state at <https://dep.nj.gov/ej/communities/>. ([NJDEP | Environmental Justice | What are Overburdened Communities \(OBC\)?](#))

	<p>Applicants must be in substantial good standing at the time of award with the New Jersey Department of Labor and Workforce Development (NJDOL) and, as applicable, NJDEP to participate in the program.</p>
Eligible Uses	<p>Eligible uses of grant funding include:</p> <ul style="list-style-type: none"> • Costs associated with planning (e.g., staff costs for program development, curriculum materials, etc.) • Soft launch (e.g., outreach costs, recruitment materials and related costs, etc.) • Capital costs (e.g., procurement, construction or renovation of program space, equipment, and material purchases, etc.) • Implementation costs (e.g., instructor time, facility fees, participant stipends, equipment or materials, delivery of support services, etc.) <p>No more than ten percent (10%) of the grant amount may be used on indirect costs such as general administration and overhead. No more than thirty percent (30%) of the grant amount can be applied to construction costs. If applicable, the applicant will be required to provide the name of its Contractor(s) or Subcontractor(s); provide the Contractor's or Subcontractor's NJ Business Registration Certifications; and an explanation of the proposed construction and/or installation of equipment as part of the grant application.</p> <p>If capital costs are proposed, the applicant and collaborators performing capital work will be subject to labor compliance, including New Jersey affirmative action and prevailing wage requirements, and requirement to complete New Jersey Contractor Registration. Applicants who identify capital costs as an expected use of funding will acknowledge as part of the application that they understand the grant is subject to these requirements and documentation may be audited.</p> <p>Applicants must provide a detailed and complete budget using the budget template included within the Grant Challenge application materials. The budget should demonstrate how the grant will be used to cover eligible costs related to the proposed program. All program collaborators must be included in the application budget, and identified for their role in the project, and status as a CBO, non-profit, or for-profit.</p>

Term of Grant Period	<p>The Project Term will be thirty (30) months, which includes a maximum allowance of six (6) months for the completion of program design. One six (6) month extension may be granted in which case the maximum Project Term cannot exceed thirty-six (36) months</p> <p>The Grant Term will be the total duration encompassing the entire Project Term plus the Closeout Period. The maximum possible duration of the Grant Term, should the full six-month extension to the Project Term be granted, is thirty-six (36) months and one-hundred eighty (180) calendar days.</p> <p>The Closeout Period means the one-hundred eighty (180) calendar days immediately following the end of the Project Term. This period is provided for the submission of the Grantee's final report, the Authority's review of the final report, the Grantee's resolution of any deficiencies in its submissions, and the disbursement of the final payment.</p> <ol style="list-style-type: none"> 1. The Grantee shall have the initial one-hundred twenty (120) calendar days of the Closeout Period to submit the Final Report to the Authority. 2. The subsequent sixty (60) calendar days of the Closeout Period shall constitute the Final Review and Cure Period, during which the Authority shall review and approve the Final Report, or notify the Grantee of any necessary revisions or cures prior to the disbursement of the final payment
Grant Amounts	<p>\$4 million is available for awards under this Grant Challenge. Minimum and maximum award amounts for individual awards are set at \$500,000 and \$800,000, respectively.</p>
Application Process	<p>Prospective applicants will be notified through a Notice of Funding Availability (NOFA) and applications will be accepted during a defined application window, which the Authority will make all potential applicants aware of through a Notice of Funding Availability and the Authority's website. Only one (1) application per entity (EIN) is allowed to apply for this grant challenge as the primary applicant. There will be a defined window for potential applicants to submit questions and receive answers.</p> <p>After the defined application window is closed, NJEDA staff will review all proposals for completeness and compliance with required documentation. Applicants will be given ten (10) business days to cure any deficiencies. If at the end of the cure period, the applications are still incomplete, they will be notified that the application will not be advanced to scoring and deemed nonresponsive. NJEDA staff may request clarifying information from applicants during the evaluation process, and such information must be received within 5-business days from NJEDA's request.</p> <p>All compliant applications will be evaluated, scored, and ranked by an Evaluation Committee comprised of staff from NJEDA.</p> <p>Budget modifications made post-grant agreement execution must be agreed upon by both parties. Any request for a budget modification during the grant term must be in writing and must include a revised budget. Line-item changes can only be made if the grantee is moving existing funds from one line item to another item that is already in the budget. In no event will the grant amount exceed the award approved by the NJEDA Board.</p>

<p>Scoring Criteria</p>	<p>The minimum score required to be considered for an award is 80 points, with the highest score possible being 100 points. Applications will be evaluated on the following criteria.</p> <p>Applicants will have the opportunity to receive the points outlined below based on the following criteria:</p> <p>Highest Score Possibility: 100 points Minimum Score Requirement: 80 points</p> <p>Criteria 1 – Ability to meet the needs of New Jersey’s burgeoning green economy industries (Up to 35 points)</p> <ul style="list-style-type: none"> • Details a compelling, impactful, and scalable program concept that will provide industry recognized credentials and fulfill a workforce-related need in one or more of NJ’s green economy industries and position New Jerseyans to enter a thriving career in a green economy sector (up to 20 points) • Outlines a clear strategy to engage industry and build a network of employer partners who will be integrated into the program, including to develop industry vetted curriculum, selection of training candidates, job placement in near-term employment opportunities, and other relevant processes (up to 15 points) <p>Criteria 2 – Ability to serve NJ’s Overburdened Communities (Up to 10 points)</p> <ul style="list-style-type: none"> • Identify steps for how the applicant will recruit and serve members of New Jersey’s overburdened communities (as defined by NJ’s Environmental Justice Law at N.J.S.A 13:1D-158 referenced in Footnote 2) based on geographical considerations (Up to 10 points) <p>Criteria 3 – Ability to provide wraparound supports and low- or no-cost training (Up to 15 points)</p> <ul style="list-style-type: none"> • Clearly identify which wraparound supports will be provided to training participants, such as transportation, social services, career readiness, childcare, housing assistance, etc., and an approach for providing these services (Up to 10 points) • Outlines an approach to offer low- or no-cost training to participants (Up to 5 points) <p>Criteria 4 – Prior experience creating and implementing workforce development initiatives (Up to 30 points)</p> <ul style="list-style-type: none"> • Details a track record of related experiences operating workforce development programs, including experience recruiting, training, and/or providing services to a diverse group of participants (Up to 10 Points) • Has a team with the qualifications and experience required to design and implement the program (Up to 5 Points) • Provides a realistic implementation plan, including strategies to mitigate anticipated challenges (Up to 10 Points) • Describes an approach to conduct ongoing program evaluation and improvement (Up to 5 Points) <p>Criteria 5 – Budget and associated milestones (Up to 10 points)</p> <ul style="list-style-type: none"> • Provides a realistic and complete budget for the proposed program and proposed number of training participants utilizing the template provided in the application guidance (Up to 10 Points) <p>Once the highest scoring applicants have been fully funded, if the next highest scoring applicant has a budget request that would exceed the total maximum program funding available, NJEDA may request that this applicant decrease their budget and/or project scope. The applicant has the right to decline or accept the budget revision option. Any applicant that accepts the offer to revise its budget will have the revised application evaluated by NJEDA to determine if the revision would lower their proposal’s ranking to an extent that they are no longer the next highest ranked proposal. NJEDA may continue this process until Program funds are fully allocated.</p>
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	<p>Geographic Consideration of Awards</p> <p>In order to provide grants and support projects by different entities and in various regions of the State NJEDA will seek to make a minimum of one award per State region (contingent on the availability of funds) as described below:</p> <ul style="list-style-type: none"> • North region: Bergen, Essex, Hudson, Morris, Passaic, Sussex, Union, and Warren counties • Central region: Hunterdon, Mercer, Middlesex, and Somerset counties • South region: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Monmouth, Ocean, and Salem counties <p>Provided that one or more applications are submitted for each region which meet or exceed the minimum score requirement of 80 points, the highest ranked application from each region will be recommended to the Board for award approval within the funding available for the program.</p> <ul style="list-style-type: none"> • Step 1: The highest scored eligible application in the pool will be recommended to the Board for approval irrespective of region. • Step 2: The next highest scored eligible application from the other remaining regions will be recommended to the Board for approval (contingent on the availability of funds). • Step 3: The next highest scored eligible application from the remaining region will be recommended to the Board for approval (contingent on the availability of funds). <p>Following this step, all remaining applications will be merged into a single group and scored. The highest scoring applications from the merged group will be recommended to the Board for award approval until all Program funding is awarded.</p>
Approvals and Declinations	<p>The Grant Challenge will require the approval by the Authority Board for all awards and discretionary declinations. Applicants whose applications are declined will have the right to appeal.</p>
Funding Disbursement	<p>NJEDA will disburse funds to each awardee per the disbursement schedule described below. The statutory provision permits grant funding for initiative-based activities which stimulate growth in targeted industries as defined by NJEDA's Board or supports increasing diversity and inclusion within the State's entrepreneurial economy.</p> <p>The awarded applicants will enter into a grant agreement with NJEDA, and funds will be disbursed according to the schedule below. A valid tax clearance certificate is required at the time of grant award approval, grant agreement execution, and at the time of each disbursement of funds.</p> <ul style="list-style-type: none"> • 30 percent of the grant award will be disbursed following the execution of a grant agreement between NJEDA and the selected applicant; • 30 percent of the grant award will be disbursed upon the applicant having initiated the training for the participants and receipt and approval by the Authority of all quarterly reports due by that time with the exact timing based on the date of execution of the grant agreement; • Up to 40 percent of the grant award will be disbursed upon receipt of the final report and based upon meeting specific program milestones and deliverables to be defined by the applicant in their application and negotiated and finalized with NJEDA if a grant award decision is made plus any extension as set forth in the grant agreement. <ul style="list-style-type: none"> • Milestone 1: 10 percent of the final 40 percent of the grant award pro-rated against the proposed number of participants completing the program, so long as at least 25% of the proposed participants completed the program; 10 • Milestone 2: 10 percent of the final 40 percent of the grant award pro-rated against the proposed number of program graduates placed in employment,

	<p>paid internship, or apprenticeship within the industry or trained occupation, within 90 calendar days of program completion, so long as at least 25% of the proposed participants were placed; and</p> <ul style="list-style-type: none"> • Milestone 3: 20 percent of the final 40 percent of the grant award will be disbursed upon our review of the Final Report, and the Final Report will be due 120 calendar days after end of Project Term. <p>Applicants must meet the 25% threshold for each milestone in order to receive the entire or partial grant award.</p> <p>The milestone payments will be disbursed according to the following:</p> <ul style="list-style-type: none"> • Disbursements based on proposed project outcomes can be pro-rated, so long as the awardee documents it has met at least 25% of the proposed goal. Applicants who do not meet at least 25% of the respective milestone will not receive that portion of the disbursement. For example, a \$500,000 grant is awarded based on the following proposed program outcomes: 80 participants completing the training and 70 program graduates being placed into employment, paid internship, or apprenticeship in the green economy industry or trained occupation within 90 calendar days of the program completion. The following illustrative payout scenarios can be calculated: <ul style="list-style-type: none"> ○ Illustrative scenario 1: If the awardee demonstrates they met both proposed outcomes (completion and placement), the grantee's payout for each of those milestones would be \$50,000 (10% of \$500,000 for each milestone). ○ Illustrative scenario 2: If the awardee demonstrates that 75/80 completed the program and 70/70 were placed, the grantee's payout for each of those milestones would be \$46,875 (based on meeting 93.8% of the completion goal), and \$50,000 (based on meeting 100% of the placement goal), respectively. ○ Illustrative scenario 3: If the awardee demonstrates that 60/80 completed the program and 17/70 were placed, the grantee's payout for each of those milestones would be \$37,500 (based on meeting 75% of the completion goal), and \$0 (based on meeting less than 25% of the placement goal), respectively.
Additional Specifications	<p>NJEDA will reserve a royalty-free, non-exclusive irrevocable license to reproduce, publish, or otherwise use any copyrightable materials developed utilizing funds awarded through this grant, inclusive of training curriculum materials and program performance metrics.</p> <p>NJEDA will require quarterly expense reporting from grantees in a template approved by NJEDA, (the first to be due ninety (90) calendar days after the execution of the grant agreement) which is expected to include an expense cover sheet and supporting documentation, including receipts, invoices, and proofs of payment for all grant-related expenses. The grantee will be expected to adhere to Generally Accepted Accounting Principles (GAAP) and utilize grant funding for agreed upon allowable costs as defined within the grant budget. NJEDA, at its discretion, may conduct an audit or disallowance action for any costs incurred by the grantee that are determined to not be allowable under the project scope of work defined in the grant agreement. At the end of the Grant Term, any underspent funds or disallowed costs will be returned by the grantee to NJEDA.</p> <p>NJEDA will require grantees to provide quarterly reporting on program data, including enrollment, completion, and job outcomes from the training, attendance, exam and credential results, recruitment plans, wraparound services, trainee evaluations, expenses, progress against milestones, challenges/successes, and demographics information.</p>

NJEDA shall have the right to review and approve all branding for programs offered by grantees through the funding received from this grant challenge, including program names, flyers, websites, use of logos, and communication materials prior to their publication or use.

Awarded applicants will be required to engage with the NJ Department of Labor and Workforce Development regarding registering any training program(s) that is funded through the grant with the NJ Department of Labor and Workforce Development's Eligible Training Provider List.



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 15, 2025

RE: Apprenticeship Training Centers Construction Grant Program Award

Summary

The Members are requested:

To approve one (1) application and the respective grant award for the Apprenticeship Training Centers Construction Grant Program totaling \$ 1,256,500.

Background

On April 9, 2025, the NJEDA Board approved the creation of the Apprenticeship Training Centers Construction Grant Program (the “Program”), a competitive grant program to support the development of facilities for use as training centers for USDOL Registered Apprenticeship programs located within New Jersey Overburdened Communities. A maximum of \$9.7 million was made available through this Grant Program utilizing funding from the NJ Department of Labor and Workforce Development (NJDOL) and NJEDA dated February 23, 2024. The minimum and maximum amounts for individual awards were set at \$500,000 and \$6.5 million, respectively.

Apprenticeship Training Centers Construction Grant Program Requirements

NJEDA issued a Notice of Funding Availability for the Grant Program on June 23, 2025, and all information about the Grant Program, including answers to submitted questions, was posted on a dedicated webpage on NJEDA’s website. The application window for the Grant Program opened on June 30, 2025, and closed on September 29, 2025.

The Grant Program provides funding to projects that are new construction, and/or substantial rehabilitation, (hereinafter collectively referred to as “construction”) and are located in Overburdened Communities for use as a training center for a USDOL Registered Apprenticeship Program. The eligibility parameters are:

- Projects must be primarily used for USDOL Registered Apprenticeship training activities following construction for a minimum of five (5) years.
- Applicants that own the Project site must agree to a deed restriction on the Project site ensuring no change in the proposed project use for five (5) years after Project completion. Applicants that lease the Project site must have a lease term that extends at least five (5) years beyond Project completion.
- Projects that have started construction are not eligible. Construction, including demolition and remediation, cannot start until execution of a grant agreement.
- All projects will be subject to compliance with New Jersey prevailing wage law and the Public Works Contractor Registration Act (N.J.S.A. 34:11-56.48 et seq.) which require all contractors, subcontractors, or lower tier subcontractors (including subcontractors listed in the bid proposal) who bid on or engage in the performance of any public work in New Jersey to register with the NJ Department of Labor and Workforce Development.
- Evidence of site control or a pathway to site control within 180 days of Board approval is required at time of application. However, in order to execute a grant agreement, the Authority would require evidence of site ownership (a deed) or an executed lease agreement with a term that extends at least five (5) years beyond project completion.
- Development of projects must be completed within two (2) years of grant agreement execution, which may be extended up to two (2) times by one (1) year each, at the sole discretion of the Authority.
- Eligible applicants must be the Sponsor of at least one (1) Registered Apprenticeship Program as defined by the United States Department of Labor Office of Apprenticeship. Sponsors must possess the registration of an apprenticeship program meaning the acceptance and recording of such program by the Office of Apprenticeship, or registration and/or approval by a recognized State Apprenticeship Agency, as meeting the basic standards and requirements of the Department for approval of such program for Federal purposes.
- Applicants will be required to be in and conduct training for the building and construction trades in the facility funded by this grant.
- Applicants must have been in continuous operation as a USDOL Registered Apprenticeship training program for a minimum of ten (10) years at the time of application.

In addition to these eligibility parameters, the applicants were required to be in substantial good standing with the New Jersey Department of Labor and Workforce Development (NJDOL) and, as applicable, the NJ Department of Environmental Protection (NJDEP) to participate in the program. At the time of the execution of a grant agreement, a current tax clearance certificate will

be required to demonstrate the applicant is properly registered to do business in New Jersey and in good standing with the NJ Division of Taxation.

As part of the application, applicants were required to submit proposals, including a narrative and budget, that outlined the following:

- Description of overall Project, related costs, and the proposed future use
- Need for this Project in the community and benefits of the Project to the respective OBC as a whole
- Anticipated economic and local impacts to the community development objectives
- Projected number of apprentices to be trained
- Projected job creation
- Total grant amount requested, total project costs, and total eligible project costs

As included in the Grant Program Specifications, proposals were evaluated based on four primary criteria:

1. Project Team (20 points)
2. Readiness to Proceed (25 points)
3. Financial Feasibility (20 points)
4. Project Concept, Design, and Goals (35 points)

The minimum score required to be considered for an award is 65 points, with the highest score possible being 100 points.

Overview of Application Recommended for a Grant Award

NJEDA received one (1) application for the Grant Program that was scored by the Evaluation Committee. The following applicant is recommended for an award:

The International Union of Operating Engineers Local 825 (“IUOE Local 825”) will build two new buildings at the IUOE Local 825 Training Center in Dayton, NJ. These buildings will replace existing trailer structures on-site and supplement the currently insufficient office and classroom space. Current training capacity is limited, restricting the number of apprentices who can be enrolled and trained each year. This expansion will allow Local 825 to increase its apprentice intake, provide comprehensive skill development, and ensure apprentices are equipped to meet the demands of modern construction projects. The new buildings will be used as additional classroom and office space. The budget for the project is \$1,795,000.00 of which EDA will cover 70% of eligible project development costs and the applicant will cover the remaining 30%. The proposal received a score of 82.

Upon NJEDA Board approval, NJEDA will enter into a grant agreement with the one (1) awarded applicant.

Recommendation

The Members are requested:

To approve one (1) application and the respective grant award for the Apprenticeship Training Centers Construction Grant Program totaling \$ 1,256,500.

A handwritten signature in blue ink, appearing to read "T. Sullivan".

Tim Sullivan, CEO

Prepared by: Aina Yadav



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 15, 2025

SUBJECT: New Jersey Innovation Evergreen Fund: December 2025 Qualified Investment Approval

SUMMARY

The Members are asked to approve a follow-on investment under the New Jersey Innovation Evergreen Program (“Program”) for an application submitted by the previously approved Qualified Venture Firm (“QVF”) Bullpen Management LLC (“Bullpen Capital”) to invest up to \$1,200,000 into ManyMoons Co. (“The Many Company”), with additional associated fees as described in this memorandum. The application follows a \$3,000,000 initial Program Qualified Investment executed alongside Bullpen Capital into The Many Company, which was approved by the Board on July 17, 2024. The Board granted delegated authority to the Authority’s CEO to approve Program follow-on investments on April 13th 2022, with certain exceptions which require Board approval. These exceptions include requests for investments with non-equity structures such as convertible notes or a Simple Agreements for Future Equity transactions (“SAFE transactions”). Because this proposed follow-on investment is structured as a SAFE transaction, it triggers that exception and the Members are asked to approve the investment.

Upon approval of this investment, Staff will continue to reserve Program capital for additional management fees, as authorized in Program regulations and described in this memorandum. No additional administrative expenses will be required for the proposed investment.

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. 19:31-25 *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 November 13, 2025, approximately \$13.6 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 November 13, 2025 26 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 23, 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 \$10 million, or up to \$12.5 million 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 represents an investment of up to \$1,200,000 of Program capital alongside Bullpen Capital into The Many Company. Based upon the projections provided by Bullpen Capital, and following approval by the Members, the Program will reserve an additional \$180,000 for additional management fees required to execute and manage the follow-on investment.

Please refer to **Appendix A** for a summary of Bullpen Capital and an overview of the firm’s eligibility as a Qualified Venture Firm. Please refer to **Appendix B** for a summary of The Many Company 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**.

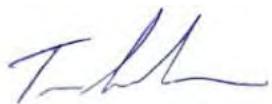
FOLLOW-ON INVESTMENT REQUIREMENTS

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. Staff is not recommending reserving for follow-on investments at this time, however will periodically adjust follow-on reserves, no less than annually, based on the amount of capital reserved for follow-ons by the Qualified Venture Firm, and other factors including expected timing of follow-on investments and the amount of Program unallocated capital available.

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 \$1,200,000 is requested. The Qualified Investment will occur alongside Bullpen Capital matching investment of no less than \$1,287,000 into the innovative, high-growth New Jersey-based company The Many Company. Upon approval, staff will reserve up to an additional \$180,000 for Program management fee expenses. The recommendation for approval is conditioned on the execution of Program closing agreements.



Tim Sullivan, CEO

Prepared by:
Alexander Pachman – Manager, 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

Overview:

Founded in 2010, Bullpen Capital is an early-stage venture capital firm headquartered in San Francisco, California. The firm typically invests in companies raising capital through financing rounds that fall through the cracks between Seed and Series A Stage financing rounds. Bullpen Capital targets post-seed companies that have achieved strong product market fit but have been overlooked by institutional investors. After over a decade of active investing, the firm manages over \$750M in assets under management across six flagship funds. The firm's senior management team has a rich history of founding and investing in some of the industry's most prominent technology companies. Prior funds include nine unicorn investments now valued at over \$1B, including FanDuel, HomeLight, Grin, Carbon Health, and Paper. An additional eight portfolio companies are valued at more than \$500M. The firm is currently investing out of its nearly \$150M sixth fund.

Strategy:

Over the past decade, Bullpen has made over 125 investments into companies they deem as “pre-consensus”. A pre-consensus company could be one ahead of mainstream interest or overlooked by other investors typically across one of three vectors of bias. First, Bullpen Capital portfolio companies tend to operate in non-consensus industries. For example, the firm led early-stage investments in sectors such as daily fantasy and sports betting, influencer marketing and the creator economy, and education technology well in advance of the sectors gaining favor among other institutional investors. The approach has led to successful early-stage investments in unicorn companies including FanDuel, Grin, and Paper. Second, many portfolio companies are based in overlooked geographies. Finally, Bullpen Capital maintains a strong track record of investing in founders from underrepresented backgrounds, the firm has an impressive track record of investing in women and BIPOC founders. As a part of Bullpen's investment strategy they seek out these companies, using a metric-based approach to identify high potential targets.

The firm typically prefers to lead post-seed rounds, writing initial investment checks from \$2-3M to companies with developed go-to-market strategies operating with about \$1M of annually recurring revenue. Post investment, the Bullpen team provides support and mentorship to assist their portfolio companies in crossing over to mainstream consensus. In doing so, the team provides connections with subject matter experts across finance, marketing, engineering, data science, or communications to provide their companies with genuine value addition beyond just capital investment. This approach has helped the firm to get into deals at attractive valuations and take greater ownership positions. Bullpen capital reserves for follow-on investment rounds and has a 1:1 reserve ratio of invested capital.

Investment and Management Team:

Bullpen Capital is managed by a strong senior management team with extensive investment experience as well as entrepreneurship experience. Paul Martino, Duncan Davidson, and Richard Melmon co-founded the firm in 2010. Eric Wiesen joined the senior leadership team in 2015, previously serving as a General Partner of another notable venture capital firm, RRE Ventures.

Paul Martino and Eric Wiesen currently lead the firm as full-time General Partners, while Duncan Davidson and Richard Melmon continue to support the firm as part-time Partners. The firm's investment committee is currently made up of firms full-time and part-time Partners, along with CFO, Candace Chan.

Mr. Paul Martino is a General Partner and Co-Founder of Bullpen Capital. Prior to co-founding Bullpen in 2010, he founded several technology companies, including: Ahpah Software, a computer security firm acquired by InterTrust, Tribe (one of the world's first social networks), and Aggregate Knowledge (a big data advertising attribution company acquired in 2014 by Neustar). He holds over a dozen patents on core social networking concepts, content targeting, and recommendation systems. He also has been an active angel investor, personally investing in the first rounds of Zynga, TubeMogul, and Udemy. While at Bullpen, Mr. Martino has led several of its key investments including FanDuel, Swish Analytics, Jackpocket, Grove, Ipsy, SpotHero, Ocrolus, and Life360.

Mr. Eric Wiesen has been a General Partner of Bullpen Capital since 2015, after spending most of his career in technology having worked as an entrepreneur, investor, advisor, and attorney. Following his JD, Eric practiced in the corporate group at Fenwick & West LLP in Silicon Valley, working with both startups and public technology companies including Cisco, eBay, Veritas, and Compuware. After completing an MBA program at Columbia University, he moved into a career in VC working as a General Partner at RRE ventures in 2010 making many successful investments including PayPal, Stratasys, Twitter, Assurant, Freewheel, and Constant Contact. Mr. Wiesen leads the firm's investment into The Many Company.

Mr. Duncan Davidson a co-founder of Bullpen Capital and currently works as a part-time General Partner at the firm. Mr. Davidson is a serial entrepreneur who most notably founded Covad Communications, the leading independent DSL provider, which went public and reached a market value of \$9B, and Sky Pilot Networks, a developer of outdoor wireless mesh systems, which was acquired by Trillium in 2009. He served as the SVP of Business Development at InterTrust and led the IPO in 1999 and the secondary in 2000 (InterTrust reached a \$9B market value in 2000). He also spent four years as a managing director at VantagePoint Venture Partners where he focused on digital media and telecom investments including Widevine (acquired by Google) and Livescribe. Prior to joining Bullpen Capital, Mr. Davidson also co-founded one of the first mobile social app companies, Xumii, later sold to Myriad Group and now powering over 200M users in the developing world. At Bullpen he focuses on SaaS and IoT investments and is an advisor to or sits on the boards of Modal, Filament, Hologram, Illumeo, SpaceIQ, Verbling, and Wag Labs.

Mr. Richard Melmon was a co-founder of Bullpen Capital and currently works as a part-time Emeritus Partner at the firm. Notably, Mr. Melmon is the co-founder of Electronic Arts, which carries a \$30B market capitalization, Melmon Tawa & Partners, a high tech advertising agency acquired by Livingston and Co. in 1989, and Objective Software, which was acquired by Asymetrix in 1993. He also co-founded NetService Ventures Group in 2002, sourcing and managing its seed stage investments in twelve companies, including Broadware, which sold to Cisco, BigFix, which sold to IBM, and several other successful startups. Richard Melmon has led several of Bullpen Capital's key investments, including Braze and Homelight. Richard received a B.A. in Physics from UC Berkeley in 1969 and an M.B.A. from Stanford University in 1973.

Ms. Candace Chan is the Chief Finance Officer at Bullpen Capital. She has over 20 years of combined venture capital and operational accounting experience, previously holding positions

financial leadership positions at Versant Ventures, Avid Technology, and Enterprise Rent-A-Car. She currently serves on the board of the VCBC (a non-profit association of finance professionals in venture capital firms). As CFO, she is responsible for overseeing the financial operations of Bullpen and its funds.

New Jersey Investment History:

The firm's 2024 investment in Ridgewood and Passaic-based The Many Company was the firm's first into a NJ-based business through funds raised in the past five years.

Appendix B – Summary of Qualified Business and Eligibility

Business Overview

The Many Company is a platform that enables direct-to-consumer (“DTC”) sustainable apparel brands to accelerate growth and participate in the circular economy. The company was founded in 2020 and has pioneered new pathways to support small to mid-size apparel brand partners on their path to being more sustainable and profitable with a mix of service offerings including digital distribution, hosted web properties, and third-party logistics (3PL) services. The Many Company is redefining post-purchase commerce for consumer brands by transforming overstock, returns, and fulfillment inefficiencies into profitable, automated revenue streams. The platform’s AI-driven infrastructure autonomously categorizes, prices, and distributes excess inventory across 40+ marketplaces, creating a full-stack solution that bridges logistics and revenue optimization for apparel and retail brands.

Handling exception case inventory, comprised of overstock, returns, and resale, is a major pain point for small to mid-size apparel brands with less than \$100 million in gross merchandise value (GMV). Small to mid-size apparel brands represent a \$1.3T market opportunity. Apparel companies of this size struggle to execute global shipping and logistics operations and complex inventory management, which requires a substantial capital investment. Exception case inventory frequently ends up in landfills or in big box discount stores for pennies on the dollar.

The Many Company powers brand partner circular shops, selling refurbished pre-owned resale apparel, overstock, and returns through hosted web platforms. The company drives sales of exception case inventory through multi-channel marketing, including through its own Manymoons marketplace, enabling brand partners to reach a broader and more diverse customer base through simultaneous sales and inventory tracking through a large set of channels across social media, independent sellers, and other 3rd party markets places, and even physical retailers. The Many Company enables brand partners to recirculate exception case inventory simultaneously across an array of sales channels, while tracking each piece of inventory to prevent unfulfilled orders. The product offerings provide brand partners with more sustainable paths for consumption while supporting their financial health. The Many Company is B-Corp certified and its service offering resonates with its sustainable apparel brand partners that share their environmentally friendly ethos.

Approximately 20 percent of brand partners also enter into 3PL contracts with The Many Company to handle end-to-end warehousing, order fulfillment, logistics, and more. The 3PL logistics support leverages a proprietary single-SKU inventory tracking technology, which is a rare offering. 3PL logistics offerings also helps The Many Company attracts and retains brand partners through circular shops, creating sticky customer relationships. All these offerings are in support of The Many Company’s larger mission to take physical goods to their true end of life by surfacing products to customers as well as fiscally and operationally support brands with their products on this journey.

The company generates revenue through a take rate applied to each piece of exception case inventory sold and through 3PL contracts. The Many Company recorded approximately \$4.7M in annually recurring revenue (“ARR”) as of the end of the third quarter, up from \$3.1M in ARR last

year. At the time of the NJEDA's initial investment, The Many Company served 10 brand partners, which has since increased to 41 brands. The Many Company also recently initiated partnerships with Gap, Inc. and Nordstrom, which marks the company's entrance into enterprise retail.

Team

The Many Company now employs 24 full-time workers, 19 of whom reside and work in New Jersey, an increase from 12 full-time NJ-based employees at the time of the NJEDA's initial investment. The company anticipates utilizing capital for future expenses, principally to advance the company's technology to onboard larger brand partners faster, expand integrations with logistics providers and strengthen its sales infrastructure to drive revenue growth. The company's offices are located at 31 Broad Street in Ridgewood, New Jersey, and at a logistics warehouse and office at 90 Dayton Avenue in Passaic, New Jersey.

The Many Company is led by its Chief Executive Officer and Founder Carolyn Butler, who has 17 years of experience in strategy, system design and operation of low-waste manufacturing and warehousing facilities and supply chains. Her designs in the CPG, Oil and Gas, Agriculture, and Waste industries span 12 counties and generate billions in annual revenue globally. Carolyn Butler received an MBA from Columbia Business School.

Eligibility

NJEDA Staff finds the proposed Qualified Business, The Many Company, meets all Program follow-on eligibility requirements. As described in Table 1 below, the Ridgewood and Passaic-based innovative business maintains a place of business and its principal business operations in New Jersey. Finally, the proposed follow-on investment size of \$1,200,000 is within the concentration limit of aggregate investments into any Qualified Business of 10 percent of the Program's uninvested and invested capital.

Table 1: The Many Company 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 business's headquarters is located in New Jersey, and New Jersey is also the work location for the largest percentage of the business's full-time	19 out of The Many Company's 24 full-time employees reside and work in New Jersey.

	employees who are based in the United States and 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.	The Many Company maintains a corporate office in Ridgewood, New Jersey and a logistics warehouse and office space in Passaic, New Jersey.
Concentration Limits on Businesses	The Program will limit aggregate investments into any Qualified Business to 10 percent of the Program's uninvested and invested capital.	The proposed \$1,200,000 follow-on investment combined with the initial \$3,000,000 Qualified Investment into The Many Company represents roughly 10% of the Program's uninvested and invested capital.

Note: Table 1 depicts the Program's primary Qualified Business follow-on eligibility requirements, however the Program maintains additional technical requirements, such as the requirement to register to do business in the State.



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 15, 2025

SUBJECT: 2025 New Jersey Evergreen Innovation Fund Tax Credit Auction Bid Approvals

SUMMARY

Staff is requesting the Members approve the award of tax credits to purchasers under the New Jersey Innovation Evergreen Program based on the results of an auction, subject to the execution of Program closing contracts.

BACKGROUND

The New Jersey Innovation Evergreen Act (“Act”) was signed into law by Governor Murphy as part of the Economic Recovery Act of 2020. In April 2022, the Board of the Authority approved specially adopted and concurrently proposed Evergreen regulations. The Act established both the New Jersey Innovation Evergreen Fund (“NIEF”, or “Evergreen Fund”) and the New Jersey Innovation Evergreen Program (“Program”), which is a partnership with the private sector that raises and invests funds 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. The Act authorizes the NJEDA to sell up to \$300 million of Corporation Business Tax (CBT) or Insurance Premium Tax (IPT) credits through a series of competitive auctions, proceeds of which are to be deposited in the Evergreen Fund to be used for Program investments. Pursuant to the Act, corporations operating in New Jersey may purchase tax credits through program tax credit auctions for a minimum price of 75% of face value to offset their CBT or IPT liability in the state by up to 25%. In addition, successful tax credit purchasers must provide a strategic commitment to support the State’s innovation ecosystem. This year marks the second Evergreen Fund tax credit auction, following the successful inaugural sale of \$50M of Program tax credits approved by the Members in December 2022. Applications for the 2025 auction year opened on September 2nd and closed October 3rd. The results of the auction are presented here for approval.

2025 AUCTION CYCLE

Pursuant to delegation granted by the Board on April 13, 2022, the Chief Executive Officer determined the 2025 auction timeline to optimize the participation in, and outcome of, the auction. The 2025 auction opened with an initial amount of \$50 million in tax credits available for purchase. NJEDA subsequently increased the amount to \$85 million due to early indications of high

participant demand. The auction received eligible application bids from 10 companies requesting a total benefit amount of \$91.6 million in tax credits, generating an oversubscription of approximately \$6.6 million. Based on the outcome of the auction for the 2025 program year (as described below), participants will be able to purchase the \$85 million of tax credits for an aggregate purchase price of \$69.2 million. This represents an average purchase price of 81.4% of tax credit face value, 6.4% higher than the statutory requisite of 75%. In addition, when considering the \$4.4 million cost of proposed strategic commitments that will benefit the innovation ecosystem in the State of New Jersey, the average benefit to the State further increases to 86.6% of tax credit face value.

Authority staff recommends the Board approve the purchases of prorated tax credit award amounts based on participant total scores, illustrated in Appendix A. To determine award allocations, each completed application bid was scored by a committee of Authority staff members following the July 2025 Board-approved methodology described in Appendix C. Applicants' total scores are a composite of financial bid prices (the amount paid for a dollar of tax credits) and strategic commitment scores, which are a function of the total cost of strategic commitment proposals as a proportion of the amount of tax credits requested. Following the close of the application period, Authority staff members evaluated each bid to ensure eligibility, completeness, and compliance. As part of a completed application bid, applicants provided 10% of the desired purchase amount of tax credits to the Authority as a refundable deposit. After initial scoring and ranking of complete application bids, applicants had the opportunity to increase their financial bid prices and/or strategic commitments through a best and final bid process conducted from October 27th through November 7th. Authority staff rescored all final bids to determine the recommended prorated amount of tax credits according to applicants' final scores and ranking.

Per program regulations, no tax credit purchaser will receive less than \$500,000 of program tax credits following from submission of an eligible application bid. In keeping with the Board-approved process, tax credit requests above the Program minimum were prorated based on applicants' total scores, as depicted in Appendix A. The Board-approved Program tax credit auction proration methodology is described in Appendix D.

If approved, the tax credit purchasers will be required to fulfill each of its proposed strategic commitments and agree to participate on the New Jersey Innovation Evergreen Advisory Board. All tax credit purchasers must provide the Authority with annual progress reports on strategic commitments and a completion report which will include contractually agreed upon documentation to verify the completion of each strategic commitment. A failure to meet at least 80% of an approved strategic commitment will result in a payment to the Authority equal to the cost of the missed strategic commitment, as identified at the time of application bid. Tax credit purchasers will be granted a one-year cure period to return to compliance before payment is due. Additional terms and conditions of the purchase will be contained in the Program closing contracts for each applicant.

Appendix B describes the 10 applicants' businesses, strategic commitments and bid scores. The 2025 Program applicants are household names and industry leaders based-in or with substantial operations in New Jersey. They represent a diverse array of industries, including the financial technology, telecommunications, information technology consulting, consumer goods, insurance, banking, and healthcare sectors. Approvals of the applicant bids will initiate significant strategic contributions that will support the innovation ecosystem in the State of New Jersey. Summary examples of this support include contributions to support external mentorship programs, free shared workspace open to high growth startups, long-term commitments of education and training

to support the futures of STEM students from underserved school districts in the State, financial and in-kind support for NJ-based accelerator programs, and more. Appendix C describes the Program scoring methodology approved by the Board of the Authority in July 2025.

The capital raised from the sale of the tax credits will be deposited in the Evergreen Fund to fund Program investments into innovative high-growth businesses in New Jersey along with Program expenses. In accordance with the program legislation, the Authority will utilize 75 basis points of the total funding amount deposited in the Evergreen Fund, approximately \$518,000 for the 2025 auction year, to administer additional programs that support the growth of innovation in the State, with specific consideration to promote high growth businesses based in opportunity zones.

RECOMMENDATION:

Based on the evaluation conducted by Authority staff, according to the criteria established by the legislation and the program regulations, tax credit award purchase approval is recommended for the applicants listed in Appendix A, conditioned on execution of Program closing contracts.



Tim Sullivan, CEO

Prepared by:
Alexander Pachman – Manager, Venture Products

Attachments:

- Appendix A – 2025 Auction Results
- Appendix B – 2025 Auction Bid Details
- Appendix C – Auction Scoring Methodology
- Appendix D – Auction Proration Methodology

Appendix A – 2025 Auction Results

The requested amount of tax credits of \$91.6M exceeds the 2025 tax credit availability of \$85M. Staff proposes the approval of the following tax credit awards, which are prorated based on applicant scores, in keeping with program regulations. Following the Board-approved process, qualified bids are ranked in sequential order from the highest to the lowest total score. Applicants' total scores are the sum of financial bid prices (the amount paid for a dollar of tax credits, or percent of face value) and strategic commitment scores. All qualified applicants receive the ability to purchase a \$500,000 minimum amount of tax credits, along with a prorated amount of tax credits based on their total score.

The percentage allocation of credits available to each purchaser above the minimum \$500,000 decreases in equal increments based on relative score of the purchaser. Higher ranked applicants will receive a greater proportion of their requested amount of tax credits, while the lower ranked applicants will receive a smaller award as percentage of the total requested. Based on the 2025 auction bids, each 0.01 difference of total score equates to a 0.9% incremental proration that reduces the amount of tax credits available for purchase relative to the applicant's desired purchase amount.

Applicant Name	Total Score	Rank	Percent Awarded (Proration)*	Tax Credit Award	Purchase Price
OceanFirst Financial Corp.	0.95	1	100%	\$1,000,000	\$750,000
Verizon Communications, Inc.	0.92	2	97%	\$19,489,556	\$15,981,436
Metropolitan Life Insurance Company	0.89	3	95%	\$7,607,351	\$6,466,248
Comcast Corporation	0.86	4	92%	\$27,683,369	\$22,838,779
The Prudential Insurance Company of America	0.84	5	90%	\$13,608,276	\$10,886,621
Selective Way Insurance Co	0.82	6	89%	\$2,982,390	\$2,430,648
Unilever United States, Inc.	0.82	6	89%	\$5,376,124	\$4,300,899
CRB Group, Inc.	0.80	8	87%	\$2,933,527	\$2,288,151
CGI Technologies and Solutions Inc	0.79	9	86%	\$930,196	\$697,647
Haleon US Holdings Inc.	0.75	10	83%	\$3,389,212	\$2,541,909
					\$85,000,000 \$69,182,338

Note: Percent of requested tax credits, above the \$500,000 program minimum, awarded.*

Appendix B – 2025 Auction Bid Details

OceanFirst Financial Corp (dba OceanFirst Bank)

Company Description: OceanFirst Bank is a Toms River, New Jersey-based bank founded in 1902 currently serving over 40 locations.

Strategic Commitment Total Cost: \$200,000

Strategic Commitment Score: 0.20

Financial Bid Price: 0.75 or 75% of face value

Total Score: 0.95

Strategic Commitment Description:

OceanFirst Bank proposes committing to monetary grants totaling \$200,000 in the calendar year 2026 to qualified nonprofits with an active presence in New Jersey and are tied to innovation. The programs of these organizations will foster innovation, hands-on STEM learning, and/or career readiness in New Jersey. The company believes its proposed commitment to funding these nonprofits be utilized to equip individuals with technical skills, professional experience, and/or leadership development necessary to become future innovators and advance New Jersey's talent pipeline, enhancing innovation in New Jersey communities. The donated capital will be directed to support innovation ecosystem related activities in New Jersey.

- *\$30,000 to each of the Boys and Girls Club of Monmouth County, Mercer County, and Atlantic City (\$90,000 total)* - The Boys & Girls Club is a 501(c)(3) nonprofit organization that serves as a safe haven for children ages 6 to 18, creating opportunities for young people to explore new careers, industries, cultures, and ideas. The donations will be used to support STEM programming and other innovation ecosystem related activities in New Jersey.
- *\$30,000 to the InfoAge Science and History Museum in Monmouth County* - InfoAge was incorporated in 1999 as a 501(c)(3) as The Information Age Learning Center, a nonprofit educational organization, located on the former 1912 Marconi Wireless Receiving Station and WWII-era signal corps army base of Camp Evans in Wall Township. The organization is a consortium of 20 science and history museums and exhibits that serve as a focal point for the preservation and interpretation of New Jersey's rich technology and military history. With a focus on developing the next generation of innovators, donated capital will provide support the Camp Invention program. This program brings hands-on STEM experiences to youth. The two-week camp is designed to spark creativity and build foundational skills in STEM fields. The program combines science, engineering, art, and prototyping to explore how to solve real world challenges.
- *\$30,000 to the Egg Harbor Township Police Activities League* - The donated capital will support the Enforcers Competitive Robotics Teams through the youth First Tech Challenge. The FIRST Tech Challenge encourages teams of young people to design, build, program and engage in robotics competitions. Guided by adult coaches and mentors, students develop business knowledge, STEM skills, and practice engineering principles, all while realizing the value of innovation and teamwork.
- *\$25,000 to Kean University* – Donated capital will be utilized to support Kean University's annual Business Plan Competition including the "NextGen Innovators Track" for emerging entrepreneurs. The program is focused on helping students launch their idea, network with

mentors, industry leaders, and fellow innovators. Workshops and feedback sessions help students to refine their ideas and business plans. Students can win funding, resources, and support to kickstart their entrepreneurial journey.

- [\\$25,000 to NJ Institute of Technology Innovation Acceleration Center](#) – Donated capital will support NJIT's Innovation Acceleration Center. The NJIT campus offers student, faculty and community based entrepreneurs' access to training and other resources that are designed to help them make their new ventures succeed. NJIT hosts the Enterprise Development Center, innumerable classes whose main focus is innovation and the commercialization of new technologies, a plethora of award-winning staff and faculty members, modern facilities designed to spur creativity, specialized equipment, and contact with influential businesspeople who are keenly interested in developing entrepreneurial potential. Hosted annually during the fall semester, the Center also runs the New Business Model Competition. Many entrepreneurs submit practical innovative ideas for review by a panel of judges for a chance to win a summer fellowship to pay them to work on their idea.

Verizon Communications, Inc.

Company Description: Verizon Communications Inc. is one of the world's leading providers of technology and communications services, and is headquartered in Baskin Ridge, New Jersey. The company offers voice, data and video services and solutions on its networks and platforms, delivering on customers' demand for mobility, reliable network connectivity, security, and control.

Strategic Commitment Total Cost: \$2,000,000

Strategic Commitment Score: 0.10

Financial Bid Price: 0.82 or 82% of face value

Total Score: 0.92

Strategic Commitment Description: Verizon proposes committing donations totaling \$2,000,000 in the calendar year 2026 to two NJ-based innovation ecosystem stakeholders. Donated capital will be directed to support innovation ecosystem related activities in New Jersey.

- [\\$1.7M to New Jersey Institute of Technology](#) - Donated capital will be directed to support the creation of a non-degree, workforce training program to help individuals access digital skills training to prepare them for innovative careers in the modern workforce.
- [\\$300,000 to TechUnited NJ](#) - TechUnited is a New Jersey-based, nonprofit membership organization that supports the tech, innovation, and entrepreneurial ecosystems. Formerly known as the New Jersey Tech Council (NJTC), it provides resources, networking events, and programs to help tech and life sciences companies and entrepreneurs grow. Its goal is to propel ideas into action, strengthen the state's tech ecosystem, and empower innovators. Verizon's donation will be directed to support TechUnited NJ's mentorship and educational programs that empower entrepreneurs and innovators across New Jersey and help them launch and grow their businesses.

Metropolitan Life Insurance Company (dba MetLife)

Company Description: MetLife is a NYC-based global financial services company founded in 1868 that provides insurance, annuities, and employee benefits to individuals and intuitions worldwide.

Strategic Commitment Total Cost: \$324,750

Strategic Commitment Score: 0.04

Financial Bid Price: 0.85 or 85% of face value

Total Score: 0.89

Strategic Commitment Description: MetLife proposes committing financial contributions to four NJ innovation ecosystem stakeholders totaling \$324,750 in the calendar year 2026. Of the total, \$250,000 will be used toward a Corporate Partnership with the NJ Fast Strategic Innovation Center. The remaining capital will be donated to two organizations and will be directed to support innovation ecosystem related activities in New Jersey.

- *\$64,000 to NPower* - NPower is a nonprofit that creates pathways to economic prosperity by launching digital careers for military veterans and young adults from underserved communities including programs focused on women of color in technology. MetLife's donated capital will support reskilling and upskilling initiatives for high-paying technology careers through its signature Path2TECH training programs, including a focus on new industries, upgrading curricula, and embedding financial wellness support through programming.
- *\$6,250 to Network for Teaching Entrepreneurship* - Network for Teaching Entrepreneurship is a nonprofit that empowers partners and school districts to integrate entrepreneurial education across curricula and equip students with the skills, connections, credentials, and real-world experiences needed to lead change and own their futures. MetLife's donated capital will support programs that integrate entrepreneurial education into school curricula, providing students with skills, connections, credentials, and experiences to prepare them for future careers or entrepreneurship.
- *\$4,500 to Per Scholas* – Per Scholas is a nonprofit that provides skills training and access to employer networks to individuals often excluded from tech careers. Over 30,000 graduates from their programs have launched successful careers in tech through their no-cost technical training. MetLife's donated capital will support providing tuition-free information technology training and career advancement opportunities in the technology sector.

Comcast Corporation

Company Description: As a global media and tech company, Comcast reaches hundreds of millions of customers, viewers, and guests with world-class connectivity and platforms and beloved content and experiences. Comcast maintains significant business operations in New Jersey.

Strategic Commitment Total Cost: \$1,000,000

Strategic Commitment Score: 0.03

Financial Bid Price: 0.825 or 82.5% of face value

Total Score: 0.86

Strategic Commitment Description: Comcast will provide \$1,000,000 in donations to 15 organizations with an active presence in New Jersey. Donated capital will be used to support a diverse set of organizations that equip individuals with digital skills needed to thrive in today's

economy. This includes support for programs that build basic digital skills as well as pathways to advanced training through certification and credentialing. Additionally, Comcast will fund initiatives that teach business-critical digital skills to entrepreneurs. This approach acknowledges that economic mobility begins with a strong foundation. Empowering community members with basic digital literacy skills unlocks access to advanced digital skilling opportunities, ultimately fueling career growth, entrepreneurship and long-term financial stability.

- *\$50,000 to the Maternal and Infant Health Innovation Center in Trenton* – The Maternal and Infant Health Innovation Center will serve as an anchor for equitable provision of maternal and infant health care services, social services and wraparound supports, data analysis and first-in-class research on maternal health care and equity in care, a training and education site for the perinatal workforce, a catalyst of new innovations to drive improved maternal and infant health outcomes, and serve as a central hub for New Jersey's stakeholders which include mothers and trusted community actors dedicated to improving the health of New Jersey's babies and mothers.
- *\$350,000 to Hope Works (Camden and Newark)* - With a focus on skill development, real-world job experience, and trauma-informed care, Hopeworks provides workforce training in tech fields that propel young adults into long-term living wage careers that put them on the path for healing and financial stability. Funding will go towards new Newark office (launching Q1 2026) and existing programming in Camden
- *\$100,000 to NPower* - NPower creates pathways to economic prosperity by launching digital careers for military veterans and young adults from underserved communities including programs focused on women of color in technology.
- *\$100,000 to Per Scholas* - Per Scholas is a nonprofit that provides skills training and access to employer networks to individuals often excluded from tech careers. Over 30,000 graduates from their programs have launched successful careers in tech through their no-cost technical training.
- *\$75,000 to Veterans Multiservice Center* - A nationally recognized nonprofit organization providing comprehensive services to veterans since 1980. VMC's mission is to provide services, programs, opportunity and advancement to veterans of the U.S military and their families. Funding will support digital skilling and innovation-related employment skills programs for veterans.
- *\$50,000 to Lunch Break in Red Bank* - Lunch Break is a nonprofit founded in 1983 that provides life skills, food, clothing, housing solutions, and fellowship to those in need in Monmouth County and beyond. Funding will support life skills education support services that empower individuals with courses, including but not limited to computer skills training.
- *\$50,000 to United Way of Greater Union County in Rahway* – United Way of Greater Union County is a nonprofit focused on improving lives and build strong communities by uniting individuals and organizations with the will, passion, expertise and resources needed to solve problems. Funding will support a Digital Navigator program that offers basic digital skills training and cybersecurity training.
- *\$50,000 to Women Rising in Jersey City* – Women Rising is a nonprofit focused on assisting women and their families to achieve self-sufficiency and live safe, productive and fulfilling lives, through social services, economic development, and advocacy services. Funding will support digital skills training programs.
- *\$50,000 to the Boys and Girls Club of Union County* - The Boys & Girls Club is a nonprofit organization that serves as a safe haven for children ages 6 to 18, creating opportunities for young people to explore new careers, industries, cultures, and ideas. Funding will support digital skills classes.

- *\$25,000 to Computers 4 People in Hoboken* - Computers 4 People is a nonprofit organization focused on unlocking access to the digital world. By refurbishing donated devices, teaching essential digital skills, and improving connectivity, the organization aims to bridge the digital divide and create opportunities for individuals and communities to thrive in the digital age. Funding will be used to support digital skills classes in Jersey City and surrounding communities.
- *\$25,000 to Elizabeth Coalition to House the Homeless in Elizabeth* - Elizabeth Coalition to House the Homeless is a nonprofit dedicated to serving the unhoused and housing insecure of Union County and advocating for policy changes at all levels of government for access to safe and affordable housing. Funding will support digital skilling courses.
- *\$25,000 to Norwescap in Phillipsburg* - Norwescap's work throughout New Jersey empowers individuals and families to move away from the crisis of poverty, and towards a future where they can thrive. The organization's mission is to partner with individuals and families in creating pathways to achieve their hopes and dreams. Funding will support digital skills workshops.
- *\$25,000 to the R&D Council of NJ* - The Research & Development Council of New Jersey works to advance research and development throughout New Jersey, advocating on behalf of research-driven companies and universities in the state. The organization bolsters New Jersey's STEM education and career pipeline and fosters collaboration among industry, academia, and government in line with the state's innovation initiatives.
- *\$25,000 to Rising Tide Capital in Jersey City* - Rising Tide Capital is a nonprofit organization whose mission is to transform lives and communities through entrepreneurship. Funding will support digital skills programming for entrepreneurs.
- *\$25,000 to the United Advocacy Group in Bridgeton* - The United Advocacy Group is a nonprofit focused on empowering individuals to achieve their self-determined goals and equip them to reach their full potential, through consistent, credible, and holistic one-on-one advocacy. Funding will support high tech education and career training for students and adults through the STEAMworks Lab.

The Prudential Insurance Company of America

Company Description: Prudential is a global financial services company based in Newark serving customers for over 150 years through a variety of products and services, including life insurance, annuities, retirement planning, and investment management services.

- **Strategic Commitment Total Cost:** \$664,698
- **Strategic Commitment Score:** 0.04
- **Financial Bid Price:** 0.80 or 80% of face value
- **Total Score:** 0.84

Strategic Commitment Description: Prudential committed financial and in-kind contributions to support the NJ Fast Strategic Innovation Center FinTech and InsurTech accelerator program powered by Plug and Play in 2026. The commitment includes a \$250,000 financial contribution for a 2026 NJ Fast Corporate Membership and an additional \$20,000 contribution for NJ Fast program event costs for four events in 2026. Additional in-kind contributions to support the NJ Fast accelerator include 3,417 square feet of dedicated office space made available to the program startups, program events and other NJ Fast programming at 213 Washington St in Newark, and 2,100 hours of staff time in 2026 to support NJ Fast program activities, including providing leadership for the accelerator program, identifying opportunities to engage with program startups, representing Prudential in SIC Advisory Council meetings and at program events, leading weekly

meetings with Plug and Play, evaluating startups during pre-selection and selection days, mentoring startups, assisting with vendor onboarding for startups engaged in pilot programs with Prudential, coordinating offices hours, and more.

Selective Way Insurance Company

Company Description: Selective Way Insurance Company is a subsidiary of Selective Insurance Group, Inc., a New Jersey based primarily a holding company for ten customer-focused property and casualty (P&C) insurance companies. These companies offer a broad range of insurance and alternative risk management services.

Strategic Commitment Total Cost: \$22,500

Strategic Commitment Score: 0.01

Financial Bid Price: 0.82 or 82% of face value

Total Score: 0.82

Strategic Commitment Description: Selective proposes donating \$22,500 to The DreamGirls Initiative, a nonprofit based in Sparta, New Jersey. The DreamGirls Initiative organizes programming focused on inspiring middle school girls by showing them what STEM careers look like. Donated capital will be directed to support STEM programming in New Jersey.

Unilever United States, Inc.

Company Description: Unilever is one of the world's largest consumer goods companies with 3.4 billion people using its products every day. The company was established over 100 years ago and maintains its North American headquarters in Hoboken, New Jersey.

Strategic Commitment Total Cost: \$100,000

Strategic Commitment Score: 0.02

Financial Bid Price: 0.80 or 80% of face value

Total Score: 0.82

Strategic Commitment Description: Unilever proposes donating \$100,00 to the New Jersey Innovation Institute (NJII) in Newark, New Jersey. NJII is dedicated to leveraging the resources of the New Jersey Institute of Technology to accelerate innovation and foster collaboration among industry, academia, and government. The financial contribution will be used to support a newly formed AI/Machine Learning Division dedicated to bridging the gap between cutting-edge AI technologies and practical business applications.

CRB Group, Inc. (dba Cross River Bank)

Company Description: Cross River Bank is a financial technology company based in Fort Lee, New Jersey that provides technology infrastructure to power the future of financial services. Leveraging its proprietary real-time banking core, Cross River delivers innovative and scalable embedded payments, cards, lending and crypto solutions to millions of consumers and businesses.

Strategic Commitment Total Cost: \$56,623

Strategic Commitment Score: 0.02

Financial Bid Price: 0.78 or 78% of face value

Total Score: 0.80

Strategic Commitment Description: Cross River Bank proposes donating \$26,667 in 2026 to the New Jersey Institute of Technology to support scholarships to students from Bergen County that come from low-to-moderate income backgrounds and are pursuing an undergraduate degree in finance or other innovation ecosystem related fields like computer science and technology. The goal of the program is to empower the next generation of New Jersey with the skills, education, and pathways to fuel the FinTech industry where Cross River Bank already plays a pivotal role and to further embolden the state's innovation economy. Additionally, the company proposes hiring at least three 2026 interns over an 8-week period from New Jersey universities to work in innovation ecosystem related departments like information and technology, data science, artificial intelligence, and FinTech products, and further support the internship program through financial costs associated with team building events, lunch and learn sessions, and other program costs.

CGI Technologies and Solutions Inc

Company Description: Founded in 1976, CGI is among the largest IT and business consulting services firms in the world and is based in New Brunswick, New Jersey.

Strategic Commitment Total Cost: \$37,5000

Strategic Commitment Score: 0.04

Financial Bid Price: 0.75 or 75% of face value

Total Score: 0.79

Strategic Commitment Description: CGI proposes in-kind support for a partnership with the New Brunswick School District on the Pathways in Technology Early College High Schools (P-TECH) program, which provides New Jersey high-school students with the opportunity to earn both a high school diploma and a no-cost, two-year post-secondary degree in a STEM field. This program serves students from primarily underserved backgrounds, with no testing or grade requirements, and is a powerful demonstration of public-private partnership designed to help all students achieve at the highest levels. Students participate in a range of workplace experiences, including mentorship, worksite visits, and paid internships. The company is committing 375 hours of staff time in 2026 and the first half of 2027 to support the P-TECH program, with activities including supporting STEM Camps at elementary schools, curriculum development, mentorship, speaking at P-TECH events, hosting work site visits, a training website, the creation of a New Brunswick specific training site dedicated to all P-TECH students, opportunities for internships, opportunities for paying jobs upon graduation of the program. These activities will support NJ's innovation economy by providing P-TECH students with the skills needed for high paying technical jobs allowing New Jersey to strengthen its talent base to remain economically competitive for years to come.

Haleon US Holdings, Inc.

Company Description: Haleon is a global leader in consumer health, with brands trusted by millions of consumers globally, and is headquartered in Warren, New Jersey. The company employs over 22,000 people across 170 markets, who are united by Haleon's purpose - to deliver better everyday health with humanity.

Strategic Commitment Total Cost: \$10,000

Strategic Commitment Score: 0.003

Financial Bid Price: 0.75 or 75% of face value

Total Score: 0.75

Strategic Commitment Description: Haleon will sponsor and co-deliver two semester-long MBA consulting courses at Rutgers Business School in 2026 that gives student teams real-world experience solving a Haleon business problem, while Haleon receives practical insights and recommendations. Senior Haleon employees develop a real world business case for the MBA Consulting students to work on over the course of the semester. The program provides a real business situation that not only prepares the students for their professions, but also careers given there are regular check-ins, actionable results/deliverables, and presentation of the final project report to the senior Haleon officials at the end of the semester. The company is committing 180 hours of staff time in to support the program in 2026, with activities including preparatory calls with the professor, development and sharing of course materials, introduction to Haleon and delivery of business case, meetings with the professor and students, email correspondence with the professor and students, internal meetings to review course progress throughout the semester, and participation is students' final presentations.

Appendix C – Strategic Commitment Scoring Methodology

The following New Jersey Innovation Evergreen Fund tax credit auction scoring methodology was approved by the Board of the Authority in July 2025 and is publicly available on the program website.

SCORING PROCESS

Total bid scores will be calculated by adding the financial bid score and the strategic commitment score for each applicant. In the example below, the bidder achieves a strategic commitment score of 0.05 and a financial bid score of 0.75 after bidding to purchase \$10,000,000 of program tax credits for \$7,500,000. The relative rank of applicant scores will be used to determine priority for tax credit awards and potential proration percentages should the auction be oversubscribed.

Total Score Example

Strategic Commitment Score	Financial Bid Score	Total Score
0.05	0.75	0.80

Financial Bid Score

A financial bid score is based on the price offered to purchase Program tax credits. Applicants must provide a purchase offer at the time of application comprised of both the price offered to purchase tax credits and the amount of tax credits requested (with a minimum floor of \$500,000). An example of a purchase offer evaluation is below.

Purchase Offer Example

Price Offered to Purchase Tax Credits	75% of Par Value
Amount of Tax Credits Requested	\$10,000,000
Total Purchase Offer	\$7,500,000
Financial Bid Score	0.75 Points

Strategic Commitment Score

All Program tax credit auction applications must include a valid strategic commitment proposal, whereby applicants offer strategic support to strengthen the State's innovation ecosystem. Strategic commitment proposals will be evaluated by Authority staff to assess the quality of the commitment to mentorship and networking opportunities and other support of the State's innovation ecosystem. The Program is designed to not only promote increased access to capital within the State's innovation ecosystem, but also to foster the critical know-how, relationships, and mentorship needed to help innovative, fast-growing companies thrive. To ensure objectivity of review, strategic commitment proposals will be evaluated by an NJEDA staff committee of at least two members. Members may be comprised entirely from the Venture Products Department or may include additional scorer(s) from within the Economic Transformation Division to further increase objectivity of review.

The proposed updates to the scoring process are designed to simply and effectively evaluate a myriad of potential open-ended strategic commitment scenarios on an even playing field. Valid strategic commitment proposals must specify and quantify the cost of each component of strategic commitment bids.

Under the scoring methodology approved by the Members in July 2025, strategic commitment proposals are scored based entirely on the total cost of the strategic commitment proposal as a

proportion of the requested amount of tax credits. The total cost of a strategic commitment proposal is based on both the direct financial cost and the value of in-kind contributions such as mentorship hours, other staff time, access to event space for networking opportunities, and other in-kind support for the State's innovation ecosystem.

For example, if an applicant proposes a strategic commitment proposal of \$500,000 of financial support to an NJEDA Strategic Innovation Center (SIC) and 100 hours of mentorship to support startups affiliated with the SIC valued at \$100 per hour, the total cost of the strategic commitment proposal would be \$510,000. Assuming the applicant offered to purchase \$10,000,000 of Program tax credits for \$7,500,000 the strategic commitment score would be calculated by dividing the total cost of the strategic commitment proposal (\$510,000) by the requested amount of tax credits (\$10,000,000). In this example, the strategic commitment score would be 0.05 and the total score would be 0.80.

Total Score Example

Price Offered to Purchase Tax Credits	75% of Par Value
Amount of Tax Credits Requested	\$10,000,000
Total Purchase Offer	\$7,500,000
Financial Bid Score	0.75 Points
Total Cost of Strategic Commitment	\$510,000
Strategic Commitment Score	0.05 Points
Total Score	0.80 Points

Strategic commitment proposals are evaluated holistically in the event applicants submitted bids with multiple strategic commitment components. For example if an applicant proposed supporting an NJEDA Strategic Innovation Center and offered unrelated support of mentorship hours to entrepreneurs participating in the NJ Innovation Fellows program. Under July 2025 Board-approved scoring methodology, Staff would simply divide the aggregate total cost of the strategic commitment components by the amount of tax credits requested to arrive at a strategic commitment score.

Appendix D – Auction Proration Methodology

In Program tax credit auctions where the requested amount of tax credits exceeds the amount offered in any given Program auction, tax credit awards are prorated. All qualified bids are scored and ranked in sequential order from the highest overall total bid score to the lowest overall total bid score. All qualified applicants receive a \$500,000 minimum purchase amount. Additional tax credits are allocated to bidders based on their total scores and their purchase offers. Higher scoring bidders receive a greater proportion of their requested amount of tax credits while the lower ranked applicants will receive a smaller award as percentage of the total requested (above the \$500,000 minimum purchase amount).

Proration Example

Total Score	Bidder	Proration %	Order	% of Request Received*	Tax Credit Request	Minimum Bid	Final Prorated Amount*	Final Award
0.98	Bidder A	3.61%	1	100.00%	\$20,000,000	\$500,000	\$19,500,000	\$20,000,000
0.97		3.61%						
0.96		3.61%						
0.95		3.61%						
0.94		3.61%						
0.93		3.61%						
0.92	Bidder B	3.61%	2	78.33%	\$25,000,000	\$500,000	\$19,191,667	\$19,691,667
0.91	Bidder C	3.61%	3	74.72%	\$1,000,000	\$500,000	\$373,611	\$873,611
0.9		3.61%						
0.89		3.61%						
0.88		3.61%						
0.87	Bidder D	3.61%	4	60.28%	\$2,000,000	\$500,000	\$904,167	\$1,404,167
0.86	Bidder E	3.61%	5	56.67%	\$5,000,000	\$500,000	\$2,550,000	\$3,050,000
0.85		3.61%						
0.84	Bidder F	3.61%	6	49.44%	\$4,000,000	\$500,000	\$1,730,556	\$2,230,556
0.83		3.61%						
0.82		3.61%						
0.81		3.61%						
0.8	Bidder G	3.61%	7	35.00%	\$1,000,000	\$500,000	\$175,000	\$675,000
0.8	Bidder H	3.61%	7	35.00%	\$5,000,000	\$500,000	\$1,575,000	\$2,075,000
					\$63,000,000	\$4,000,000	\$46,000,000	\$50,000,000

Note*: Excluding \$500,000 minimum purchase amount.

In this example, eight bidders requested over \$62M of tax credits. The spread between the highest and lowest rank becomes the bounds (0.98 and 0.80) for the calculation. The spread is broken down into equal parts using the Goal Seek function in Excel and the proration percentage is divided amongst these steps. In this example, each step equates to a decline in roughly 3.61% of a bidders' requested tax credit amount. A bidder with a raw score of 0.92, six "steps" below the highest scoring bidder, will receive 78.3% of their request (not including the minimum allocation of \$500,000). This same process is applied for each bidder such that the top ranked bid (Bidder A) receives the entirety of their ask and Bidder G is significantly prorated, receiving the \$500,000 minimum and just 35% of their requested total excluding the minimum, or an additional \$175,000. This example shows the methodology for how this process will work for one potential iteration, however actual proration percentages will vary based on the number of bidders, amount of tax credits available and requested, and relative bid scores. Bidders will only pay for the tax credits they are awarded. If an approved bidder does not close on their approved purchase, the tax credits will be reallocated to the pool of bidders using the proration methodology described above.



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 15, 2025

SUBJECT: Delegations of Authority – Product/Program Administrative Extensions, Film & Digital Media Tax Credit Program, NJ Innovation Evergreen Fund, SSBCI Programs

Request

The Members are asked to approve several delegations of authority to the CEO to undertake certain routine or administrative actions. Specifically, Members are asked to approve:

1. Delegation of authority to the CEO to administratively extend the performance term of a pilot product or program in order to progress the underlying policy goals or in response to unforeseen circumstances.
2. Delegation of authority to the CEO to certify unused or unredeemed tax credits under the Film and Digital Media Tax Credit Program and to carry over the credits to the next calendar year.
3. Delegation of authority to the CEO to approve Film and Digital Media Tax Credit Program transactions up to \$12M for legacy projects, \$18M for film-lease production company and studio partner projects, \$3.6M for digital media.
4. Delegation of authority to the CEO to approve investment transactions up to \$1.5M under the NJ Innovation Evergreen Fund.
5. Delegation of authority to the CEO to (a.) Reallocate SSBCI funds as an administrative change across the approved SSBCI programs; (b.) Submit to US Treasury for review and consideration of any proposed administrative changes to the SSBCI Programs, and the subsequent approval and written concurrence from US Treasury, pursuant to SSBCI guidelines; and (c.) Accept updates and modifications to the Memorandum of Understanding between the NJEDA and NJ Treasury (February 2022) related to reallocation of the SSBCI funds that are an administrative change and implement related necessary administrative actions for the relevant SSBCI Programs.

Background

Starting in 2022, the Authority began implementing recommendations by Funston Advisory Services LLC to improve overall Board functionality and governance. Among the recommendations, Funston suggested that the Authority review the current thresholds for approval by the Board to determine

whether more authority can be prudently delegated to staff. The board approved several measures to progress this recommendation, included but was not limited to: Authority-wide delegated authority for non-discretionary product and program declinations on June 8, 2022, and Authority-wide clarifications regarding delegated authority and operating authority on September 12, 2023. Additionally, on October 9, 2024, the Members approved a delegation of authority to extend performance periods for pilot grant program agreements open exclusively for municipal, county, and State entities. These requests for delegated authority have been intended to: improve the Authority's operating efficiency and responsiveness in program administration; and permit the Board to focus more time and attention on creation of new programs, program oversight and performance evaluation, and strategic planning, rather than reviewing routine individual transactions that do not involve setting policy or warrant consideration by the Board.

During the past several years staff have recommended, and the Board has approved, increasing thresholds and updating and adding delegations of authority. Staff are requesting a suite of new delegations of authority for routine or administrative actions or to react to fast-paced or changed external conditions. The requests below are consistent with the Funston report recommendations.

Products/Programs: Request for Delegated Authority to Extend Performance Terms

Members are requested to grant to the CEO delegated authority to administratively approve extensions of time, not to exceed twelve (12) months, for pilot products and programs across the Authority's portfolio. The extensions of time are to extend only the overall performance term deadlines to allow the products and programs to continue beyond the deadlines initially included in such products and programs. The amounts, obligations, other requirements under the product/program agreement will remain unchanged and in full effect. Extensions of time would be applied program-wide and not to individual agreements.

Often our program and product teams rely heavily on external factors such as supply chain or procurement as a part of the performance for the overall program or product. The timing of these external factors is often out of the control of the participating individual or entity as well as the Authority. Seeking delegated authority to administratively extend the performance term of a product or program would improve efficiency in the administration of a given program. The delegation would allow the CEO to extend program deadlines in a timely and efficient manner. The following factors shall be considered prior to exercising the proposed delegated authority:

- The extension can be applied uniformly across the product or program.
- The funding source and the Board-approved parameters for the product or program permit such extension.
- The extension does not cause the Authority to violate any state or federal laws.
- The extension is for time only and does not impact or modify any other term of the agreement.
- The extension furthers the product/program's goals which can be accomplished within a period not to exceed an additional twelve (12) months.

This request for delegated authority shall apply to pilot products and programs only.

Film & Digital Media: Request for Delegated Authority to Carry Over Tax Credits to Next Calendar Year

Members are also requested to grant to the CEO delegated authority to approve the certification of unused or unredeemed tax credits and approve carrying over said credits to the next calendar year. P.L. 2025, c. 81, enacted on July 1, 2025, extended the statutory deadline for film and digital media tax credits until June 30, 2049. In fiscal years where the total issued approved tax credits is less than the total credits permitted by the statute in that fiscal year, the Authority shall certify the amount remaining and carry over the remainder to the next fiscal year.

For the past five years, the Board has been requested to undertake the administrative task of approving the certification of the unused/unredeemed credits and the carryover of the credits. This task can be delegated to staff, which will allow the Board to focus on the programmatic aspects of tax credit implementation. This proposed delegated authority shall apply to fiscal year carryovers only. If reallocation of funds from other programs, such as Aspire or Emerge, is needed to increase the available funds under this program, staff will return to Board to request approval of such action.

Film & Digital Media: Request to Increase the Current Delegated Authority Thresholds Up to \$12M For Film, \$18M for Studio Partners and Film-Lease Production Companies, and \$3.M for Digital Media.

Members are asked to approve an update to the delegation of authority for the film and digital media program. Prior delegations, approved in April 2022, allow the CEO or its delegate to approve film and digital media tax credit projects up to 10% of the yearly cap for each allocation. The delegations permitted approvals up to \$10 million for legacy film tax credit projects, \$15 million for studio partner and film-lease production company projects and up to \$3 million for digital media projects.

Members are asked to increase the delegation thresholds by 20%, or up to \$12 million for legacy projects, \$18 million for studio partner and film-lease production company projects, and up to \$3.6 million for digital media projects.

The increase in delegated authority is necessary as we observe rising budgets in the film industry. Additionally, staff does not foresee many, if any, studio partner or film-lease production company projects falling below the previous \$15 million delegation threshold.

Members are advised that the final issuance, following the certification of production expenses, may be lower than the approved amount if the qualified expenditures are less than were anticipated at approval.

The Board would continue to receive quarterly reports on projects approved under delegated authority.

NJ Innovation Evergreen Fund: Request for Delegated Authority to Approve Investments Up to \$1.5M

Members are asked to grant delegated authority to the CEO to approve NJ Innovation Evergreen Fund (NJIEF) investment transactions up to \$1.5M. To date, Members have approved thirteen (13) NJIEF initial qualified investments into eleven (11) Qualified Businesses since October 2023. In total, the

Authority has approved over \$18M of investments into these companies, with an average total investment amount of over \$1.6M per Qualified Business. To-date program investment sizes have ranged between \$400,000 and \$3M. The 11 New Jersey-based innovative high-growth businesses have created over 60 jobs in the State, and the Authority's investment capital has catalyzed over \$40M of additional private sector funding.

Approving NJ Innovation Evergreen Fund initial Qualified Investments of up to \$1.5M under delegated authority will improve the Authority's ability to participate in competitive fast-moving financing rounds. Under the proposed \$1.5M threshold, 9 of the 13 initial Qualified Investments previously brought to Board would have been approved under delegated authority. These parameters for the decision to approve initial Qualified Investments are set in the program rules and further clarified through the initial program Board memorandum approved by the Members in April 2022 and the experience to date shows that such smaller initial Qualified Investments do not entail substantive policy decisions. The requested delegated authority shall increase efficiency and reaction time of the program. The Board would be updated quarterly on program investments approved under delegated authority.

State Small Business Credit Initiative (SSBCI) Programs: Request for Delegated Authority for Reallocation of Funds and Modifications to Memorandum of Agreement with NJ Treasury

Members are asked to grant delegated authority to the CEO to (1) reallocate 10% or less of the total allocation of SSBCI funding amongst the six approved Programs created from the US Treasury State Small Business Credit Initiative (SSBCI); (2) Submit to US Treasury for review and consideration such proposed reallocation of SSBCI funds, and for the subsequent approval and written concurrence, pursuant to SSBCI guidelines and based on the parameters described below; and (3) Accept updates and modifications to the Memorandum of Understanding between the NJEDA and NJ Treasury (February 2022) related to reallocation of the SSBCI funds that are an administrative change and implement related necessary administrative actions for the relevant SSBCI Programs.

The following are the six approved SSBCI Programs administered by the Authority and the amounts of their respective initial allocations:

SSBCI Programs	Original Allocation
SEDI Seed Fund	\$20,000,000
Life Science Fund	\$60,000,000
Recovery Loan Loss Reserve Fund	\$25,000,000
New Jersey Capital Access Fund	\$50,000,000
New Jersey Clean Energy Loans Program (NJ CELs)	\$80,000,000
Angel Match Program	\$20,197,631

Of the total \$255,197,631 in SSBCI funding to be provided in three distributions to the State, the first distribution of \$79,371,395 was received in March of 2023. New Jersey may request the second funding

distribution only when **80% or \$63,497,116** of the first round of capital has been expended, transferred, or obligated to eligible businesses. As of November 2025, the NJEDA had deployed **59.03% or \$46,849,680** (including admin fees) of the required 80%.

In order to align funding levels with program interest and application activity in the SSBCI programs, Staff proposes that the CEO be provided with delegated authority to reallocate 10% or less of the total funding between the approved SSBCI programs, as permitted by US Treasury. Reallocation of funding would enable the Authority to review and decision applications without disruption by ensuring funding is available in more utilized programs. Further, reallocation would also place the State in a better position to meet the requirement to expend, obligate or transfer 80% of the first tranche in order to request the second tranche before the contractual deadline of March 15, 2026.

Pursuant to SSBCI guidelines, modifications to program allocations may be considered “administrative changes” that do not require an amendment of the Allocation Agreement that was executed by US Treasury and the State of New Jersey on March 15, 2023, whereas a “material modification” would require prior approval from US Treasury in the form of a written amendment. A jurisdiction seeking such administrative changes must first notify the US Treasury of the proposed change and receive US Treasury’s written concurrence that the proposed modification is an “administrative change”. Specifically, certain reallocations may be considered to be an “administrative change” and require only notice to and written concurrence from US Treasury:

- Reapportionments of 10 percent or less, in the aggregate on a cumulative basis, of the participating jurisdiction’s “Total Allocation,” as specified in the jurisdiction’s Allocation Agreement, as of the date of the request so long as the reapportionment does not adversely impact a jurisdiction’s program operations and the program remains compliant with program guidance.

For New Jersey’s SSBCI Program, the reallocation of up to **\$25,519,763** (i.e., 10% threshold of the total SSBCI allocation) amongst the six SSBCI funded programs can be an “administrative change”. Further, SSBCI Guidelines also consider changes to the jurisdiction’s delegations of authority as an “administrative change” and require notification and written concurrence by US Treasury. The requested delegation to reallocate 10% or less of the total allocation, as specified in the Allocation Agreement with US Treasury, and the requested changes to the CEO’s delegations of authority may be considered as administrative changes that require only notification to and written concurrence by US Treasury.

Members are requested to delegate to the Chief Executive Officer the authority to:

- Reallocate 10% or less of the total allocation of SSBCI funds as an “administrative change” across any of the approved SSBCI programs in order to comply with the requirements of the Allocation Agreement with US Treasury for requesting the next distribution of SSBCI funds.
- Submit to US Treasury for review and consideration such proposed administrative changes to the SSBCI Programs, and for subsequent approval and written concurrence from US Treasury, pursuant to SSBCI guidelines.
- Accept updates and modifications to the Memorandum of Agreement between the NJEDA and NJ Treasury (February 2022) related to reallocation of the SSBCI funds that are an administrative change and implement related necessary administrative actions for the relevant SSBCI Programs.

Recommendation:

For the reasons stated above, Members are asked to approve:

1. Delegation of authority to the CEO to administratively extend the performance term of a pilot product or program in order to progress the underlying policy goals or in response to unforeseen circumstances.
2. Delegation of authority to the CEO to administratively certify unused or unredeemed tax credits under the Film and Digital Media Tax Credit Program and to carry over the credits to the next calendar year.
3. Delegation of authority to the CEO to approve Film and Digital Media Tax Credit Program transactions up to \$12M for legacy projects, \$18M for film-lease production company and studio partner projects, \$3.6M for digital media. .
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5. Delegation of authority to the CEO to (a.) Reallocate SSBCI funds as an administrative change across the approved SSBCI programs; (b.) Submit to US Treasury for review and consideration of any proposed administrative changes to the SSBCI Programs, and the subsequent approval and written concurrence from US Treasury, pursuant to SSBCI guidelines; and (c.) Accept updates and modifications to the Memorandum of Understanding between the NJEDA and NJ Treasury (February 2022) related to reallocation of the SSBCI funds that are an administrative change and implement related necessary administrative actions for the relevant SSBCI Programs.



Tim Sullivan, CEO

Prepared by: John Scully
Elizabeth George-Cheniara
John Kuehne



To: Members of the Authority

From: Tim Sullivan, Chief Executive Officer

Date: December 15, 2025

Subject: **FY 2026 Fiscal Plan**

Enclosed for your review and consideration is the proposed NJEDA FY2026 Fiscal Plan. This Plan reflects the assumptions and projections provided by senior management and staff, with whom the Finance team has worked closely. We believe this Plan positions the Authority to continue to deliver on its mission as the State's primary driver of economic development through the creation and operation of new and existing programs, to carry out its responsibilities under the terms of State and Federal appropriations and to do so in an efficient and fiscally responsible manner.

As in past years, underlying these goals are several key imperatives for the Authority: 1) to continue to support New Jersey businesses, particularly in underserved communities; 2) to grow New Jersey's economy, with a focus on increasing broad-based equity and creating a pilot, learn, scale culture, supported by bank-like operations; 3) to advance a financially sustainable business platform, optimizing for a balance of State economic activity and fiscal stability of the Authority; and 4) to support our effectiveness through enhanced resources, infrastructure, and compliance. These objectives are embedded in the Fiscal Plan's revenue and expense projections.

Since the onset of the COVID-19 pandemic, the Authority has been awarded significant funding in State and Federal appropriations that has fundamentally altered its revenue and cost structures: Cash balances have increased substantially, generating significant interest income; Administrative fees have been earned on those appropriations; and the NJEDA's core staffing levels have increased over time commensurate with the Authority's expanded efforts. The 2025 Plan reflected the expectations of reductions in these income streams and the resulting need for cost controls. While the Authority's results have moderately exceeded those projections, the 2026 Plan continues to take a cautious approach and reflects an acceleration of the general trend towards reduced Interest Income and Administrative fees. Further, significant increases in health insurance costs in the State Health Benefits Program are scheduled, which will put additional pressures on our Net Earnings. The combined effects of these factors result in the need for constraints in staffing levels as well as Administrative and Program costs in 2026.

General

The proposed 2026 Plan reflects our continuing efforts to operate our core loan, real estate, grant, and tax incentive programs. The Plan also reflects the roll-out of new initiatives and programs recently approved by the Board, including those funded by State and Federal appropriations, the Regional Greenhouse Gas Initiative (RGGI) and interagency transfers, e.g., the Liberty State Park and Greenway projects. The Plan provides what we believe are sufficient resources (e.g., full-time, part-time and temporary staff, funding for information technology infrastructure) to meet those programmatic deliverables, which include spend-down of all the federal State and Local Fiscal Recovery Funding (SLFRF) appropriations by the December 31, 2026 deadline.

Revenues

Our Plan reflects an expected reduction in overall revenues from projected 2025 levels (\$8.2 million/9.0%), primarily driven by an anticipated reduction in Interest Income on invested cash as well reduced State and federal appropriations. These appropriations generate Administrative Fees for the Authority, which, while not considered revenue for external financial reporting purposes, are included for internal planning purposes. A tighter State budget is expected to result in a continued decline in appropriations in State Fiscal Year 2027, furthering the trend for SFY26. Overall, non-Operating revenues are projected to decline by \$7.8 million/13.4%.

With respect to Administrative Fees from State appropriations: Our 2026 Plan reflects a strategic carry-forward of \$1.2 million that was originally budgeted in the 2024 Plan. The original 2024 Annual Plan allocated roughly \$19 million of Administrative Fees to 2024 alone. Our Long-Term Plan, completed later in 2024, reflected a deferral of a significant portion of that fee income to the 2025-2028 timeframe, including \$1.2 million to 2026. Management believes this deferral (for internal reporting purposes only) is appropriate to more accurately match the level of effort and expense associated with operating the programs funded by the appropriations. This has no impact on the Authority's external financial reporting as such Fees are not considered Revenues under Generally Accepted Accounting Principles (GAAP).

Operating revenues are projected to remain relatively flat overall. Financing fees are expected to increase slightly from 2025 levels due to the roll-out and ramp-up of several new and recently launched programs such as CAFE, Historic Property Reinvestment Program, and C-PACE. However, Lease income is projected to decrease due to several vacancies at the New Jersey Bioscience Center. In addition, Program Services revenue will drop primarily due to the elimination of Wind Port administrative fees. The accompanying schedule provides a breakdown of the anticipated revenue changes by line item.

Potential upside to our revenue projections exists should the Authority realize income distributions from strategic investments. However, since these are impractical to forecast, they have generally been excluded from our Plan. Also, as we have seen in 2025, interest rates and our cash balances have held up beyond Plan assumptions. While our 2026 Plan reflects the most current forecast for interest rates in the State's Cash Management Fund (CMF), these could change depending on several economic factors. Finally, the impact of the transition to a new State administration is uncertain at this time but could result in additional program resources provided to NJEDA. The Finance team will continue to monitor the Fiscal Plan during 2026 and

will review variances with Executive Management and Divisional leads to assess strategic options.

Expenses

Given the projected reduction in Revenues as noted above, and consistent with the Authority's Long-Term Financial Plan, the 2026 Plan reduces anticipated Operating Expenses by \$5.8 million/6.6% from projected 2025 levels. While full-time Personnel costs reflect a 1% reduction, this is driven by an anticipated year-end headcount of approximately 365 FTE based on historical attrition and continued vacancy management. Notably, Personnel costs in 2026 also account for an approximate 30% increase in medical and prescription premiums and increases in pension costs, which the Authority cannot directly control.

In addition to Personnel Costs, General and Administrative (G&A) expenses include support for professional development and training, necessary software and technology, and strategic initiatives aimed at improved business operations. They also include costs for rent, utilities, building maintenance and facility management. Overall, G&A expenses, excluding Personnel costs, are expected to decline by roughly \$2.3 million/17%. Combined with the change in Personnel costs (\$604K/1%), overall G&A expenses decrease by \$2.8 million/4%.

Program Costs represent expenditures that align with specific programs, projects, and initiatives, e.g., asset management costs, consulting, and marketing/outreach. Overall, Program Costs are projected to decrease from expected 2025 levels by \$2.9 million/18.6% This is due to targeted reductions in temporary staff, marketing expenses and consulting costs that we do not believe will have a material impact on the Authority's ability to meet programmatic objectives.

Consistent with prior years, the Plan also includes cash transactional items that may or may not be reimbursable; do not represent costs and expenses related specifically to current year production; or may not be within the scope of the Authority's general activities. These items are presented *below* the Net Earnings line for informational purposes. Included here are the reimbursable personnel expenses related to the administration of The Fort Monmouth Economic Revitalization Authority (FMERA), the Commission on Science, Innovation and Technology (CSIT), and the NJEDA Office of Recovery. Also reflected here are long-term projects such as information technology infrastructure investments and anticipated capital projects.

Related to the Authority's continued ownership of the New Jersey Wind Port, ongoing operating costs related to the Wind Port operating budget will generally be paid from existing New Jersey Wind Port development funds not otherwise Board-approved for specific allocations, and consistent with the associated requirements and restrictions of each source of funding. Note that our transactional items currently reflect six months of Wind Port rent beginning in July, 2026 due to the projected exhaustion of available funds.

Net Earnings

Overall, the Authority's Net Earnings are projected at \$1.1 million in 2026 vs. roughly \$3.5 million in 2025. This does not include the impact of NJEDA's equity in the New Jersey Green Bank, which anticipates Net Earnings of \$1.88 million in 2026 from interest income on its loan

portfolio and cash balances, net of Operating Costs. *Net income projections for Green Bank are preliminary and are therefore not included in the core Net Earnings in the attached Plan.*

Approval Request

The compilation of the 2026 Fiscal Plan has been a collaborative effort among program and fiscal staff and reflects the Authority's key strategic imperatives. It also reflects the key external factors expected to impact NJEDA's financial position and Management's efforts to address those factors. These strategic decisions are intended to ensure sustainability of our operations and finances.

At its meeting on December 8, 2025, the Plan was reviewed by the Audit Committee which concurred it is fiscally responsible and supports the Authority's mission. Accordingly, the Board's approval is requested for:

- The adoption of the 2026 Fiscal Plan by the NJEDA.



Tim Sullivan, CEO

Prepared by: Morris Friedmann

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2026 FISCAL PLAN

	2025 Plan	2025 Projected Actual	Actual		2026 Plan
			Over/Under Plan		
Operating Revenues					
Financing Fees	\$ 7,029,352	\$ 7,699,461	\$ 670,109	\$ 8,992,288	
Lease Revenue	9,383,000	10,512,005	1,129,005	9,749,274	
Interest from Notes	3,917,851	6,420,581	2,502,729	6,807,883	
Agency Fees	631,000	716,308	85,308	651,315	
Program Services	8,131,988	5,289,420	(2,842,568)	4,798,065	
Venture Fund Income	723,034	579,042	(143,992)	250,000	
Real Estate Development Fees	1,025,000	1,435,000	410,000	1,035,000	
Other	100,000	92,641	(7,359)	100,000	
Total Operating Revenue	\$ 30,941,225	\$ 32,744,457	\$ 1,803,233	\$ 32,383,825	
Non-Operating Revenues					
Interest from Cash Investments	\$ 38,962,563	\$ 42,689,532	\$ 3,726,969	\$ 36,782,422	
State Appropriation Admin Fees	4,404,392	4,453,358	\$ 48,966	3,025,000	
Federal Appropriation Admin Fees/Reimbursements	6,347,500	6,418,069	\$ 70,569	6,049,494	
RGGI Admin Fees	5,000,000	5,146,299	\$ 146,299	5,000,000	
Total Non-Operating Revenues	\$ 54,714,455	\$ 58,707,258	\$ 3,992,803	\$ 50,856,916	
Total Revenue	\$ 85,655,679	\$ 91,451,715	\$ 5,796,036	\$ 83,240,741	
Administrative Expenses					
Personnel and Benefits	\$ 58,428,563	\$ 58,993,269	\$ 564,706	\$ 58,388,862	
% of Total Revenue	68.2%	64.5%			70.1%
General and Administrative (Non Personnel)	9,020,480	13,293,704	4,273,225	10,793,992	
% of Total Revenue	10.5%	14.5%			13.0%
Total Administrative Expenses	\$ 67,449,043	\$ 72,286,974	\$ 4,837,931	\$ 69,182,855	
Program Costs	\$ 15,641,953	\$ 15,718,176	\$ 76,223	\$ 12,979,626	
% of Total Revenue	18.3%	17.2%			15.6%
Total Expenses and Costs	\$ 83,090,996	\$ 88,005,149	\$ 4,914,154	\$ 82,162,480	
Net Earnings	\$ 2,564,684	\$ 3,446,566	\$ 881,882	\$ 1,078,261	

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2026 FISCAL PLAN

Cash Transactional Items

	2025 Plan	2026 Plan	Variance
<i>Administrative Expenses</i>			
<i>FMERA Personnel costs</i>	\$ 1,446,100	\$ 1,456,508	\$ 10,408
<i>Less: FMERA reimbursements</i>	(\$1,446,100)	(\$1,456,508)	(\$10,408)
<i>Net FMERA</i>	\$ -	\$ -	\$ -
<i>Other Reimbursed Personnel Costs</i>	\$ 4,329,936	\$ 5,005,954	\$ 676,018
<i>Less: Other Personnel Cost Reimbursements</i>	(\$4,329,936)	(\$5,005,954)	(\$676,018)
<i>Net Other Reimbursed Personnel Costs</i>	\$ -	\$ -	\$ -
<i>Other Non Reimbursed Staffing Costs</i>	\$ 344,266	\$ 207,428	(\$136,838)
<i>Total Administrative Expenses</i>	\$ 344,266	\$ 207,428	\$ (136,838)
<i>Program Costs</i>			
<i>IT Costs</i>			
<i>Development Projects (incl Staffing)</i>	\$ 4,302,476	\$ 3,309,526	(\$992,950)
<i>Wind Port Lease Payments</i>	\$ -	\$ 800,000	\$ 800,000
<i>Real Estate Investments</i>			
<i>North Brunswick Capital Plan</i>	\$ 7,145,000	\$ 13,136,292	\$ 5,991,292
<i>Total Program Costs</i>	\$ 11,447,476	\$ 17,245,818	\$ 5,798,342
<i>Total Other Cash Transactional Items</i>	\$ 11,791,742	\$ 17,453,246	\$ 5,661,504

Notes

Above amounts are preliminary and subject to further review. Wind Port lease payments may be due only after June 2026, pending the availability of State funding.

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2026 Fiscal Plan

Revenue Detail

	2025					2026 vs. 2025		
	2025		Projected	Actual	Over/Under			
	2025 Plan	Actual	2025 Plan	Over/Under	Plan	2026 Plan	\$	%
Operating Revenues								
Financing Fees								
Application Fees	\$ 1,259,155	\$ 3,503,473	\$ 2,244,318	0	\$ 1,771,750	\$ (1,731,723)	-49.4%	
Angel Investor Tax Credit	478,335	348,540	(129,795)		693,125	344,585	98.9%	
Aspire Issuance Fees	589,000	-	(589,000)		200,000	200,000	NA	
Aspire Servicing Fees	177,000	-	(177,000)		120,000	120,000	NA	
Aspire Tax Credit Approval Fees	1,600,000	1,467,500	(132,500)		1,600,000	132,500	9.0%	
Atlantic City Revitalization Grant	4,000	1,000	(3,000)		-	(1,000)	-100.0%	
Bond Closing Fee	250,000	300,000	50,000		750,000	450,000	150.0%	
Brownfield Approval Fees	35,000	-	(35,000)		50,000	50,000	NA	
CAFÉ- Approval Fees	-	-	-		420,000	420,000	NA	
Closing Fees - ERGG	-	31,589	31,589		-	(31,589)	-100.0%	
Commitment Fees Credit	50,000	4,500	(45,500)		-	(4,500)	-100.0%	
C-PACE Closing	-	-	-		400,000	400,000	NA	
Direct Loan	113,500	74,805	(38,695)		80,000	5,195	6.9%	
Film Studio Partners	51,250	10,000	(41,250)		-	(10,000)	-100.0%	
Film Tax Credit Approval Fee	322,568	389,550	66,983		330,000	(59,550)	-15.3%	
Film Tax Credit Issuance Fees	212,995	334,200	121,205		350,000	15,800	4.7%	
Grow NJ Issuance Fee	80,250	-	(80,250)		98,363	98,363	NA	
HIST PROP TAX CR AGREE FEE	89,000	165,000	76,000		150,000	(15,000)	-9.1%	
Historic Approval Fees	113,000	140,000	27,000		132,000	(8,000)	-5.7%	
Historic Property Survey Grant	2,000	-	(2,000)		-	-	NA	
HPRP Certification Fee	155,000	70,000	(85,000)		306,000	236,000	337.1%	
HPRP Transfer Fee	-	-	-		50,000	50,000	NA	
Loan Closing Fees Credit	50,000	35,000	(15,000)		-	(35,000)	-100.0%	
Main Street Acquisition Support Grant	25,400	-	(25,400)		50,000	50,000	NA	
Main Street MBL closing fees	-	-	-		-	-	NA	
Modification Fees	311,000	111,300	(199,700)		65,000	(46,300)	-41.6%	
NEXT NJ - AI (Approval Fees)	-	-	-		150,000	150,000	NA	
NEXT NJ - Manufacturing (Approval Fees)	-	-	-		145,000	145,000	NA	
NJ Emerge Tax Credit Approval Fees	153,750	75,000	(78,750)		165,000	90,000	120.0%	
NJ Emerge Tax Credit Issuance Fees	-	300,000	300,000		90,000	(210,000)	-70.0%	
NJ ESP (Approval Fees)	-	-	-		-	-	NA	
NJ LEAF Cannabis Loan - Closing Fee	20,000	-	(20,000)		11,375	11,375	NA	
NJ LEAF Cannabis Loan - Commitment Fee	20,000	-	(20,000)		11,375	11,375	NA	
NJ LEAF Cannabis Loan for Manufacturers and Cultivators	6,000	-	(6,000)		4,500	4,500	NA	
NJ LEND	-	-	-		105,750	105,750	NA	
NJ Zev Commitment Fees	-	-	-		8,750	8,750	NA	
NOL/Tech Tax Cert Trsf Approval Fees	512,500	291,854	(220,646)		262,300	(29,554)	-10.1%	
Premier Lender	-	-	-		22,500	22,500	NA	
Property Acquisition Funds	50,000	-	(50,000)		-	-	NA	
Small Business Fund	-	-	-		49,500	49,500	NA	
Small Business Improvement Grant approval fees	70,000	32,500	(37,500)		50,000	17,500	53.8%	
Small Business Lease Grant approval fees	20,000	12,000	(8,000)		20,000	8,000	66.7%	
Solar For All (Approval Fees)	-	-	-		-	-	NA	
SSBCI - NJ CELs Approval Fees	53,813	-	(53,813)		-	-	NA	
SSBCI - NJ CELs Closing	-	-	-		140,000	140,000	NA	
SSBCI - NJ CELs Commitment	-	-	-		140,000	140,000	NA	
SSBCI - NJ CELs Issuance	53,813	-	(53,813)		-	-	NA	
Tax Exempt Bonds	1,025	-	(1,025)		-	-	NA	
Other	100,000	1,650	(98,350)		-	(1,650)	-100.0%	
Total Financing Fees	\$ 7,029,352	\$ 7,699,461	\$ 670,109	\$ 8,992,288	\$ 1,292,827	16.8%		
Lease Revenue								
Camden Amphitheater Office	\$ 12,000	\$ 12,000	\$ -	\$ 12,000	\$ -	\$ -	0.0%	
NJBC - Lease Revenue	7,358,000	8,400,000	1,042,000	7,608,738	(791,262)	(0)		
NJBC Incubator	788,000	900,000	112,000	950,196	50,196	0		
NJBC Step-Out Labs - Lease Revenue	1,225,000	1,200,005	(24,995)	1,178,340	(21,665)	(0)		
Total Lease Revenue	\$ 9,383,000	\$ 10,512,005	\$ 1,129,005	\$ 9,749,274	\$ (762,731)	-7.3%		
Agency Fees								
Commission on Science, Innovation, & Tech	\$ 180,000	\$ 266,308	\$ 86,308	\$ 175,000	\$ (91,308)	-34.3%		
FMERO Reimbursement	-	-	-	26,315	26,315	NA		
Historic Trust Fund	1,000	-	(1,000)	-	-	NA		
NJ Local Development Financing Prgm	450,000	450,000	-	450,000	-	0.0%		
Total Agency Fees	\$ 631,000	\$ 716,308	\$ 85,308	\$ 651,315	\$ (64,994)	-9.1%		

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2026 Fiscal Plan

Revenue Detail

	2025						2026 vs. 2025		
	2025 Plan		2025 Projected Actual		Over/Under Plan		2026 Plan		\$
	2025 Plan	2025 Projected Actual	Over/Under Plan	2026 Plan	\$	%			%
Program Services									
Aspire TC Assignment Fee	\$ -	\$ 40,000	\$ 40,000	\$ -	\$ (40,000)	-100.0%			
Aspire Transfer Fee	-	40,000	40,000	40,000	-	0.0%			
BEIP Service Fees	566,616	800,000	233,384	285,253	(514,747)	-64.3%			
BRRAG Service & Termination Fees	46,395	-	(46,395)	46,395	46,395	NA			
Emerge Annual Servicing Fee	-	-	-	200,000	200,000	NA			
ERF - Wind Port	3,226,285	548,848	(2,677,437)	-	(548,848)	-100.0%			
ERGG Issuance Fees	-	-	-	-	-	NA			
ERGG Service Fees (annual fee & Transfer fee)	327,500	330,000	2,500	307,500	(22,500)	-6.8%			
Evergreen Auction Proceeds	450,000	-	(450,000)	525,000	525,000	NA			
Film Commission Production Svcs Directory Fees	-	672	672	-	(672)	-100.0%			
Film Tax Credit Partner Designation fee	5,000	5,000	-	-	-				
Film Tax Credit Transfer Fees	175,000	175,000	-	144,000	(31,000)	-17.7%			
Grow NJ Annual Service & Termination Fees	3,250,192	2,800,000	(450,192)	2,767,417	(32,583)	-1.2%			
Grow NJ Tax Transfer Fee	-	400,000	400,000	420,000	20,000	5.0%			
HUB Annual Review Fee	45,000	35,000	(10,000)	32,500	(2,500)	-7.1%			
HUB Tax Transfer Fee	45,000	35,000	(10,000)	30,000	(5,000)	-14.3%			
MSRFP Lease & Improv Fees	-	79,900	79,900	-	(79,900)	-100.0%			
Total Program Services	\$ 8,131,988	\$ 5,289,420	\$ (2,842,568)	\$ 4,798,065	\$ (486,355)	-9.2%			
Venture Fund									
Venture Fund	\$ 723,034	\$ 579,042	\$ (143,992)	\$ 250,000	\$ (329,042)	-56.8%			
Real Estate Development and Management Fees									
Aquarium	\$ 1,000,000	\$ 1,400,000	\$ 400,000	\$ 999,996	\$ (400,004)	-28.6%			
Camden Waterfront Parking - DEV FEE	25,000	35,000	10,000	35,004	4	0.0%			
Total Development Fees	\$ 1,025,000	\$ 1,435,000	\$ 410,000	\$ 1,035,000	\$ (400,000)	-28.6%			
Interest from Notes									
	\$ 3,917,851	\$ 6,420,581	\$ 2,502,729	\$ 6,807,883	\$ 387,303	6.0%			
Other, Including Late Fees	\$ 100,000	\$ 92,641	\$ (7,359)	\$ 100,000	\$ 7,359	7.9%			
Total Operating Revenues	\$ 30,941,225	\$ 32,744,457	\$ 1,803,233	\$ 32,383,825	\$ (355,632)	-1.1%			

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
2026 Fiscal Plan
Salary Detail

							Variance to 2025 Projected Actual			
	2025 Projected		Actual		Over/Under Plan	% Variance	2026 Plan		\$	%
	2025 Plan	Actual	Over/Under Plan	% Variance			2026 Plan	\$		
SALARY EXPENSE	\$ 43,031,563	\$ 41,939,007	\$ (1,092,557)	-2.5%			\$ 41,199,750	\$ (739,257)		-1.8%
FRINGE BENEFITS										
Social Security	\$ 2,900,000	\$ 3,224,807	\$ 324,807	11.2%			\$ 3,209,677	\$ (15,130)		-0.5%
Pension Costs	5,222,000	6,033,865	811,865	15.5%			6,081,940		48,075	0.8%
Non-health related Ins.	615,000	1,127,100	512,100	83.3%			713,648		(413,452)	-36.7%
Health Insurance	7,400,000	7,663,129	263,129	3.6%			8,586,982		923,853	12.1%
Less: Employee Contribution	(2,150,000)	(2,874,298)	(724,298)	33.7%			(3,172,477)		(298,179)	10.4%
Prescription Ins.	970,000	1,485,233	515,233	53.1%			1,268,631		(216,602)	-14.6%
Dental Care Ins.	360,000	319,959	(40,041)	-11.1%			417,745		97,786	30.6%
Vision Care	80,000	74,469	(5,531)	-6.9%			82,967		8,499	11.4%
TOTAL FRINGE BENEFITS	\$ 15,397,000	\$ 17,054,263	\$ 1,657,263	10.8%			\$ 17,189,113	\$ 134,850	0.8%	
TOTAL SALARY AND FRINGE	\$ 58,428,563	\$ 58,993,269	\$ 564,706	1.0%			\$ 58,388,862	\$ (604,407)	-1.0%	
Total Salaried Employees	395	382					365	-17	-4.45%	
Avg FTE Cost	\$ 147,920	\$ 154,433					\$ 159,969			

FRINGE BENEFITS	2025 Plan	2025 Projection	2026 Plan
Social Security	6.74%	7.69%	7.79%
Pension Costs	12.45%	14.39%	14.76%
Non-health related Ins.	1.47%	2.69%	1.73%
Health Insurance	17.64%	18.27%	20.84%
Less: Employee Contribution	-5.13%	-6.85%	-7.70%
Prescription Ins.	2.31%	3.54%	3.08%
Dental Care Ins.	0.86%	0.76%	1.01%
Vision Care	0.19%	0.18%	0.20%
TOTAL FRINGE BENEFITS	36.54%	40.66%	41.72%

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2026 Fiscal Plan

Administrative Expenses

**Variance to 2025
Projected Actual**

	2025 Plan		2025 Projected Actual		Actual Over/Under Plan		% Variance		2026 Plan		\$	%
	\$	598,718	\$	564,998	\$	(33,720)	-5.6%	\$	580,000	\$	15,002	2.7%
PERSONNEL RELATED												
Part-time Employees	\$	598,718	\$	564,998	\$	(33,720)	-5.6%	\$	580,000	\$	15,002	2.7%
Temporary Agencies		-		-		-	NA		-		-	NA
Publications & Subscriptions		14,322		16,416		2,094	14.6%		15,000		(1,416)	-8.6%
Automobile		5,000		15,842		10,842	216.8%		3,500		(12,342)	-77.9%
Local Travel & Meetings		161,790		257,086		95,296	58.9%		151,000		(106,086)	-41.3%
Conference		102,300		113,840		11,540	11.3%		77,456		(36,384)	-32.0%
Professional Training/Development		467,000		484,055		17,055	3.7%		482,790		(1,265)	-0.3%
TOTAL PERSONNEL RELATED	\$	1,349,130	\$	1,452,237	\$	103,107	7.6%	\$	1,309,746	\$	(142,491)	-9.8%
CONTRACT SERVICES												
Financial Audit & Actuarial Services	\$	153,450	\$	142,464	\$	(10,986)	-7.2%	\$	195,000	\$	52,536	36.9%
HR Consultation		-		-		-	NA		25,000		25,000	NA
Integrity Oversight Monitor		-		85,812		85,812	NA		375,120		289,308	0.0%
GAU/OAL Assessments		54,000		54,000		-	0.0%		53,534		(466)	-0.9%
TOTAL CONTRACT SERVICES	\$	207,450	\$	282,276	\$	74,826	36.1%	\$	648,654	\$	366,378	129.8%
INFORMATION SYSTEMS												
System Maintenance	\$	582,352	\$	2,414,619	\$	1,832,267	314.6%	\$	500,000	\$	(1,914,619)	-79.3%
System Software		1,890,000		3,245,844		1,355,844	71.7%		3,246,456		612	0.0%
System Hardware		489,250		160,590		(328,660)	-67.2%		281,500		120,910	75.3%
Online Subscriptions		102,500		315,475		212,975	207.8%		18,600		(296,875)	-94.1%
Communications		538,125		578,327		40,202	7.5%		574,661		(3,666)	-0.6%
External Services Providers		-		246,330		246,330	NA		233,557		(12,773)	-5.2%
TOTAL INFORMATION SYSTEMS	\$	3,602,227	\$	6,961,185	\$	3,358,958	93.2%	\$	4,854,774	\$	(2,106,411)	-30.3%
OFFICE OPERATIONS												
Utilities	\$	354,000	\$	366,352	\$	12,352	3.5%	\$	406,992	\$	40,640	11.1%
Postage & Delivery		30,000		41,138		11,138	37.1%		42,984		1,846	4.5%
Rent		1,013,000		942,249		(70,751)	-7.0%		1,174,319		232,070	24.6%
Insurance-liability & property		610,440		673,637		63,197	10.4%		657,575		(16,062)	-2.4%
Equipment Maintenance		25,000		18,550		(6,450)	-25.8%		25,000		6,450	34.8%
Furniture/Equipment lease/purchase		118,000		927,705		809,705	686.2%		163,000		(764,705)	-82.4%
Stationary & Supplies		55,242		18,100		(37,142)	-67.2%		24,500		6,400	35.4%
TOTAL OFFICE OPERATIONS	\$	2,205,682	\$	2,987,731	\$	782,049	35.5%	\$	2,494,370	\$	(493,361)	-16.5%
BUILDING MANAGEMENT												
Facility Management	\$	221,000	\$	220,008	\$	(992)	-0.4%	\$	234,000	\$	13,992	6.4%
Buiding Security Guard		131,000		113,445		42,096	32.1%		237,996		64,900	37.5%
Janitorial		182,000		173,096		(68,555)	-37.7%		181,008		67,563	59.6%
Taxes/PILOT		79,000		74,376		(4,624)	-5.9%		78,996		4,620	6.2%
Grounds		60,000		75,245		15,245	25.4%		60,000		(15,245)	-20.3%
Parking Lot		414,000		355,598		(58,402)	-14.1%		356,000		402	0.1%
Mechanical Maintenance		295,000		316,511		21,511	7.3%		194,988		(121,523)	-38.4%
TOTAL BUILDING MANAGEMENT	\$	1,382,000	\$	1,328,279	\$	(53,721)	-3.9%	\$	1,342,988	\$	14,709	1.1%
GENERAL	\$	273,990	\$	281,997	\$	8,007	2.9%	\$	143,460	\$	(138,537)	-49.1%
TOTAL GEN'L & ADMIN. EXPENSE	\$	9,020,479	\$	13,293,704	\$	4,273,225	47.4%	\$	10,793,992	\$	(2,499,712)	-18.8%
TOTAL ADMINISTRATIVE (Excl FM/OR)	\$	67,449,042	\$	72,286,974	\$	4,837,931	7.2%	\$	69,182,855	\$	(3,104,119)	-4.3%

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

2026 Fiscal Plan

Program Cost Detail

									2026 Plan vs. 2025 Projected Variance	
		2025 Projected Actual		Actual Over/Under Plan		% Variance				
		2025 Plan	2025 Projected Actual	Over/Under Plan	% Variance	2026 Plan	\$	%		
Asset Management										
Maintenance and Repair	\$ 2,241,000	\$ 2,241,000	\$ -	0.0%	\$ 1,947,096	\$ (293,904)	-13.1%			
Property Management	\$ 281,000.00	\$ 286,488.00	\$ 5,488.00	2.0%	\$ 302,304.00	\$ 15,816.00	5.5%			
Wind Port Rent	\$ -	\$ 1,604,570.00	\$ 1,604,570.00	NA	\$ -	\$ (1,604,570.00)	-100.0%			
Taxes and PILOT	\$ 1,388,000.00	\$ 1,172,797.00	\$ (215,203.00)	-15.5%	\$ 1,328,196.00	\$ 155,399.00	13.3%			
Tenant Fit-out/FF&E	\$ -	\$ 132,000.00	\$ -	0.0%	\$ -	\$ -	0.0%			
Tenant Billing System	\$ 2,000.00	\$ 2,400.00	\$ 400.00	20.0%	\$ 2,400.00	\$ -	0.0%			
Utilities	\$ 1,463,000.00	\$ 1,139,893.00	\$ (323,107.00)	-22.1%	\$ 1,261,104.00	\$ 121,211.00	10.6%			
Asset Management	\$ 5,375,000	\$ 6,579,148	\$ 1,072,148	19.9%	\$ 4,841,100	\$ (1,606,048)	-24.4%			
Outreach										
Authority-Wide Marketing Efforts	\$ 872,500	\$ 296,596	\$ (575,904)	-66.0%	\$ 506,725	\$ 210,129	70.8%			
Sponsorships	\$ 800,000	\$ 350,000	\$ (450,000)	-56.3%	\$ 500,000	\$ 150,000	42.9%			
Other EDA Outreach Support	\$ 70,000	\$ 51,311	\$ (18,689)	-26.7%	\$ 52,000	\$ 689	1.3%			
Outreach	\$ 1,742,500	\$ 697,907	\$ (1,044,593)	-59.9%	\$ 1,058,725	\$ 360,818	51.7%			
Consultation/Legal										
Deputy Attorney General Contracted Fees	\$ 2,502,502	\$ 3,827,560	\$ 1,325,058	52.9%	\$ 2,752,752	\$ (1,074,808)	-28.1%			
Other Litigation (External/Special Counsel)	\$ 310,000	\$ 672,422	\$ 362,422	116.9%	\$ 830,000	\$ 157,578	23.4%			
Incentives/Other Programs Audits	\$ 35,000	\$ 308,154	\$ 273,154	780.4%	\$ 185,004	\$ (123,150)	-40.0%			
DEP/Licensed Site Remediation	\$ -	\$ 26,723	\$ 26,723	NA	\$ -	\$ (26,723)	-100.0%			
Port Feasibility Study/Off-Shore Wind/Film Consult	\$ -	\$ 47,000	\$ 47,000	NA	\$ -	\$ (47,000)	-100.0%			
Urban/Real Estate Advisory Services	\$ -	\$ 304,988	\$ 304,988	NA	\$ -	\$ (304,988)	-100.0%			
Other Consulting/Feasibility	\$ -	\$ 388,154	\$ 388,154	NA	\$ 287,000	\$ (101,154)	-26.1%			
Diversity DEI Initiatives	\$ 115,000	\$ 30,000	\$ (85,000)	-73.9%	\$ 70,000	\$ 40,000	133.3%			
Environmental Consultants	\$ 35,000	\$ 25,915	\$ (9,085)	-26.0%	\$ 35,004	\$ 9,089	35.1%			
EDA Compliance Audits	\$ 200,000	\$ -	\$ (200,000)	-100.0%	\$ 150,000	\$ 150,000	NA			
Business Network for O/S Wind Supply Chain	\$ 11,253	\$ -	\$ (11,253)	0.0%	\$ -	\$ -	NA			
Management Consulting	\$ 900,000	\$ -	\$ (900,000)	0.0%	\$ -	\$ -	NA			
Berkeley Heights	\$ -	\$ 50,000	\$ 50,000	NA	\$ -	\$ (50,000)	-100.0%			
Camden Prison Properties	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%			
Other Consulting-Planning & Rezoning	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%			
Other Litigation (External/Special Counsel)-Windport	\$ -	\$ 143,808	\$ 143,808	NA	\$ -	\$ (143,808)	-100.0%			
RE Program Consulting	\$ -	\$ -	\$ -	NA	\$ 30,000	\$ 30,000	NA			
Real Estate Advisory Services	\$ 287,607	\$ 288,556	\$ 949	0.0%	\$ 250,000	\$ (38,556)	-13.4%			
Survey	\$ -	\$ -	\$ -	NA	\$ 20,004	\$ 20,004	NA			
War Memorial Reactivation	\$ -	\$ 83,400	\$ 83,400	NA	\$ -	\$ (83,400)	-100.0%			
Management Consulting	\$ 445,392	\$ 131,100	\$ (314,292)	-70.6%	\$ -	\$ (131,100)	-100.0%			
Consultation/Legal	\$ 4,853,754	\$ 6,335,314	\$ 1,481,560	30.5%	\$ 4,639,764	\$ (1,715,554)	-27.1%			
Services										
Appraisals	\$ 30,000	\$ -	\$ (30,000)	-100.0%	\$ 30,000	\$ 30,000	NA			
Credit Reporting Services	\$ 11,742	\$ 83,279	\$ 71,538	609.3%	\$ 46,504	\$ (36,775)	-44.2%			
Operations 3rd Party Services	\$ 313,550	\$ -	\$ (313,550)	-100.0%	\$ 261,996	\$ 261,996	NA			
Realtor Commissions	\$ 813,000	\$ 494,481	\$ (318,519)	-39.2%	\$ 145,800	\$ (348,681)	-70.5%			
Services	\$ 1,168,291	\$ 577,760	\$ (590,531)	-50.5%	\$ 484,300	\$ (93,460)	-16.2%			
Insurance										
Property & Liability Insurance	\$ 321,000	\$ 320,823	\$ (177)	-0.1%	\$ 360,237	\$ 39,414	12.3%			
Insurance	\$ 321,000	\$ 320,823	\$ (177)	-0.1%	\$ 360,237	\$ 39,414	12.3%			
Other										
Filing Fees	\$ 36,050	\$ 2,962	\$ (33,088)	-91.8%	\$ 10,000	\$ 7,038	237.6%			
Program Related Travel & Meetings	\$ 77,250	\$ 23,608	\$ (53,642)	(1)	\$ 25,000	\$ 1,392	5.9%			
Program Related Training	\$ 92,132	\$ -	\$ (92,132)	(1)	\$ 12,000	\$ 12,000	NA			
Searches-Titles, Liens, Property	\$ 18,191	\$ -	\$ (18,191)	(1)	\$ 29,992	\$ 29,992	NA			
Temporary Agencies - program specific	\$ 1,160,383	\$ -	\$ (1,160,383)	(1)	\$ 1,075,739	\$ 1,075,739	NA			
Temporary Agencies - previously in Admin	\$ 797,402	\$ 1,180,654	\$ 383,252	0	\$ 288,848	\$ (891,806)	-75.5%			
Advisors	\$ -	\$ -	\$ -	NA	\$ 85,000	\$ 85,000	NA			
Moody's Analytics, Inc	\$ -	\$ -	\$ -	-	\$ 68,921	\$ -	0.0%			
Other	\$ 2,181,408	\$ 1,207,224	\$ (974,184)	-44.7%	\$ 1,595,500	\$ 319,355	26.5%			
Total Program Costs	\$ 15,641,953	\$ 15,718,176	\$ (55,777)	-0.4%	\$ 12,979,626	\$ (2,695,475)	-17.1%			

*Program-Specific Costs include: program related travel & meeting expense; program-specific staff training; temporary agencies to accommodate the timing of certain program initiatives; and other small business support.

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 15, 2025

SUBJECT: Establish Project Development Budget for Phase 2 of the Liberty State Park Revitalization Program; Request for Delegated Authority for Contract Changes
#PROD-00319178

Requests

I am requesting the Members' approval of:

- i. Establishment of a project development budget in the not-to-exceed (NTE) amount of approximately \$54.2 million for preconstruction and construction activities.
- ii. Delegated authority to the Chief Executive Officer to approve contract changes above the NTE budget, in the aggregate, or up to an amount of \$1,000,000, and to accept changes resulting in a credit or no additional cost to the contract with no maximum amount.

Background

The development of Phase 2 of the Liberty State Park Revitalization Program (LSP-RP) is being administered and coordinated by NJDEP and NJEDA. These entities have entered a partnership by way of a Memorandum of Understanding (MOU) that was fully executed on May 30th, 2025. This MOU defines the roles and responsibilities of the partners for the Project and establishes the Authority as the delivery partner for Phase 2. As the delivery partner, one responsibility of the Authority is to maintain the project's development budget and procure a construction management firm to execute the work.

On September 10th, 2025, the members authorized the Authority to enter into a construction management agreement with AECOM-Tishman, which was fully executed on October 27th, 2025. The members also approved establishing a Preconstruction budget only of \$325,264 to allow the Construction Manager to begin enabling work while NJDEP's engineer elevated design further, which would inform the budget presented herein.

NJDEP has sourced the funds referenced in Table 1 for Phase 2 of LSP-RP. The available funds reported from NJDEP reflect the balance at the time of this request. This includes \$20 million in American Rescue Plan Act (ARPA) funds, and \$34.2 million from the New Jersey Debt Defeasance and Prevention Fund (DDPF). Note that the amount of State funds available for construction referenced in the MOU has decreased from \$35.8 million to \$34.2 million. NJDEP needs to retain approximately \$1.6 million to cover additional construction administration services required by the project that will be performed by NJDEP's consultants.

Table 1 – LSP-RP Funding Summary Table

FUNDING SOURCES	AMOUNT
Federal - American Rescue Plan Act	\$ 20,000,000.00
State - New Jersey Debt Defeasance and Prevention Fund	\$ 34,205,396.00
TOTAL	\$ 54,205,396.00

Thus, the total project development budget may not exceed the available funds. The funds must cover the preconstruction services, construction services, construction contingency, the Authority's administrative fees, and owner contingency. No further reduction in the available funds is expected. All ARPA monies must be expended by December 31, 2026. The parties must make good faith efforts to spend all State DDPF monies by July 31, 2027, but further extension is possible.

Project Development Budget

The Project Development Budget shown in Table 2 matches the funds sourced by NJDEP. Staff anticipate that all available federal and state funds will be expended to complete the project. The construction estimate is inclusive of all labor, equipment, and material for the construction elements of the project, and a 25% construction contingency for each work area. Escalation, prevailing wage rate, overhead and profit have all been considered. As established in the MOU, the Authority's administrative fee shall be 4% of the total of the aforementioned items and has been included in the proposed budget. A maximum of \$600,000.00 may be billed against the federal funds, as requested by NJDEP. The remaining fee is to be collected from state funds. Lastly, there is a separate owner's contingency that reserves the remaining available funds for unanticipated project expenses. Reserving these funds is necessary due to the current economic climate and market fluctuations that may impact subcontractor pricing. Note that if funds are utilized from the owner contingency for construction, the Authority will collect the administrative fee accordingly. The comprehensive development budget attached hereto as Exhibit A provides further details. All values have been derived from the NJDEP Engineer's Estimate for 100% design of the North Priority Projects and 60% design of the Train Shed renovation.

Table 2 - LSP-RP Development Budget Summary Table

PROJECT USES	AMOUNT
Construction Costs	\$ 47,389,218
Preconstruction	\$ 325,264
Construction	\$ 47,063,954
NJEDA Administrative Fee (4%)	\$ 1,895,569
Federal	\$ 600,000
State	\$ 1,295,569
Owner Contingency	\$ 4,920,609
TOTAL USES	\$ 54,205,396

**Preconstruction Budget approved at the September 10th NJEDA Board Meeting is to be incorporated into the comprehensive development budget*

Delegated Authority

In addition, the Members are requested to approve a delegation of authority to the Chief Executive Officer, in the aggregate amount (cumulative), or an amount not to exceed \$1,000,000, should additional costs be incurred as part of the preconstruction and construction Activities described in the MOU. Exercising this authority is conditional on the availability of funds within the approved project budget established in Exhibit A. If changes exceed the authorized development budget, a revision to the MOU adjusting the amount of available funds with a subsequent board request for approval will be required. Any additional funding needed for the project would be sourced by NJDEP, in accordance with the existing MOU.

The requested value of delegated authority is consistent with past Real Estate Development requests for projects of similar size and scope. Within this delegated authority, the CEO will be authorized to accept no added cost change orders or change orders that result in a credit to the project budget. No maximum amount shall be required for no added cost or credit contract changes, since these changes will not increase the project budget.

Recommendation

I request members to approve:

- i. The project development budget of \$54,205,396 from NJDEP sourced funding for preconstruction and construction activities in furtherance of Phase 2 of the Liberty State Park Revitalization Program in Jersey City, NJ.
- ii. Delegated authority to the Chief Executive Officer to approve contract changes above the NTE budget in the aggregate, or up to an amount of \$1,000,000, and the authority to accept change orders resulting in a credit or no added cost to the contract with no maximum amount.



Tim Sullivan, CEO

Prepared By: Steven Corcoran, PE
Project Manager – Real Estate Development

Attachment

Exhibit A – LSP-RP Phase 2 Comprehensive Development Budget

EXHIBIT A

Comprehensive Development Budget: Liberty State Park Revitalization

Uses of Funds		Budget
1.00	Preconstruction	
1.01	Precon Services	\$298,427
1.02	PLA	\$26,837
	Subtotal Preconstruction	\$325,264
2.00	Construction	
2.01	Northern Areas	\$18,546,400
2.02	Train Shed	\$28,517,554
2.03	Owner Contingency	\$4,920,609
	Subtotal Construction	\$51,984,563
3.00	Administrative Fee	
3.01	Federal - ARPA	\$600,000
3.02	State - DDPF	\$1,295,569
	Subtotal Administrative Fee	\$1,895,569

Uses		Budget
Summary of Uses		
1.00	Preconstruction	\$325,264
2.00	Construction	\$51,984,563
3.00	Administrative Fee	\$1,895,569
	Total Uses	\$54,205,396

Sources		Budget
7.00 Sources of Funds		
7.01	Federal American Rescue Plan Act	\$20,000,000
7.02	NJ Debt Defeasance & Prevention Fund	\$34,205,396
	Total Sources	\$54,205,396



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 15, 2025

SUBJECT: Release of Deed Restriction re Jersey City Medical Center (JCMC) Property
PROD-00318781

Request

Members of the Board are requested to authorize the Chief Executive Officer to approve and execute all documents required to release a 2004 deed covenant that restricts the uses of certain property that the Authority deeded to Jersey City Medical Center (“JCMC”) for a new hospital facility that serves the surrounding community. JCMC has completed construction of the hospital facility and adjacent medical offices on the property. JCMC now requests that the City of Jersey City (“Jersey City”) and the Authority release the existing use restrictions on the property and lift the corresponding deed restriction in order for JCMC to develop portions of the property for a mixed-use project while preserving the use restrictions on the remainder of the property where the hospital and medical offices are located.

Background

In 1992, Jersey City, JCMC, and the Authority entered into a Memorandum of Understanding (“MOU”) to permit the Authority to acquire and remediate certain property for development of a new 300 bed, acute care hospital. The MOU and the 1994 Tri-Party Agreement (“Tri-Party Agreement”), attached as Exhibit A, govern the acquisition, delivery, and development of the property. Using its statutory property condemnation authority, in 2000, EDA successfully delivered a cleared 15-acre site for construction of the acute care hospital.

As a party of the condemnation proceeding, the Authority acquired nearly half of the property from one property owner, Steven Hyman. Through negotiation and settlement, the Authority expended approximately \$2.445 million out-of-pocket above the funding amount committed by Jersey City for real estate acquisition. In 2001, JCMC, the Jersey City, and the Authority executed an Amendatory Agreement, attached as Exhibit B, to address, among other items, the \$2.445 million expended by the Authority. Specifically, the 2001 Amendatory Agreement states that if that JCMC has the “ability and is prepared to assume additional financial obligations” JCMC may seek approval from government agencies and holders of JCMC debt for JCMC to reimburse the Authority in whole or part. Additionally, in May 2001, the Board approved a memo, attached as Exhibit C, which addressed the outstanding \$2.445 million:

In recognition of the hospital's tenuous financing prospects and its need to avoid a change in financial condition, it does not cast the Medical Center's obligation as a loan from the Authority.

...

In accordance with the final negotiated terms, I recommend that the Authority record this expenditure as a program loss resulting from a legal settlement rather than as a loan to the Jersey City Medical Center.

Read together, the 2001 Amendatory Agreement and the May 8, 2001 board memo indicate that Authority intended to not treat the outstanding \$2.445 million as a loan.

Jersey City Support

The Tri-Party Agreement required the Authority to deed restrict the property for hospital use only, which it did when it conveyed the property to JCMC. The covenant to deed restrict the property is to the benefit of the City of Jersey City. Therefore, the Authority cannot release the deed restriction unilaterally and without Jersey City approving the release, or risk being in default of the Tri-Party Agreement. On September 24, 2025, the Jersey City Council approved Ordinance 25-097, attached at Exhibit D, approving the release of the use restrictions on the property. The Ordinance states that Jersey City is supportive of lifting the use restrictions because the hospital was constructed per the terms of the Tri-Party Agreement and the intended mixed-use development on the remainder property would be in furtherance of Jersey City's Grand Jersey Redevelopment Plan. The Ordinance also states that the mixed-use development will further support the hospital's mission to provide medical care to the community regardless of an individual's ability to pay for such care. With this action taken by Jersey City that endorses the release of the use restrictions, the Authority may release the deed restriction.

Tri-Party Agreement Release

Members are asked to authorize the CEO to approve and execute the documents, attached in substantial final form as Exhibit E, necessary to release the deed restriction. The documents include:

- *Second Amendment to the Tri-Party Agreement:* Jersey City, JCMC, and the Authority acknowledge that JCMC constructed the hospital facility per the terms of the Tri-Party Agreement and JCMC shall submit to Jersey City a certificate of substantial completion. The parties also acknowledge that they will execute Schedule A and Schedule B, described below, that will release the use restrictions on the portion of the property anticipated for development and keep the use restrictions on the remainder where the hospital facility is located.
- *Schedule A Reaffirmation:* The parties reaffirm that, even after the Authority lifts the deed restriction on the site, the use restrictions set forth in the Tri-Party Agreement will remain contractually binding on the blocks and lots where the hospital and medical offices are located. Put differently, the Reaffirmation agreement ensures that the hospital facility remains in place to provide medical care to the community.

- *Schedule B Release:* The parties agree to release the use restrictions set forth in the Tri-Party Agreement, except for the obligations under the Schedule A Reaffirmation Agreement, and release the Authority from its covenant to deed restrict the property, thereby allowing the Authority to lift the deed restriction.

Collectively, these documents shall evidence the intent of each party to release the use restrictions and release the Authority's covenant to deed restrict the property. Specifically, the Schedule A Reaffirmation Agreement shall ensure that the hospital facility continues to support the community regardless of an individual's ability to pay. The Authority is not imposing any legal requirements on the development project itself. The final documents shall be subject to CEO review and approval, substantively consistent with the terms in Exhibit E.

The portion of the property to be developed represents approximately 22% of the total land purchased by the Authority and conveyed to JCMC for the hospital facility. In exchange for lifting the use restrictions on this portion of the property (the remainder will remain restricted under Schedule A Reaffirmation), JCMC shall repay the Authority an amount equal to 22% of the \$2.5M expended by the Authority for acquisition of the total property – or \$550,000. This offer by JCMC represents a reasonable repayment for the portion of the property that will no longer be used as a hospital, while the remainder shall continue to fulfill the public purpose that underpinned the original Tri-Party Agreement and the Authority's actions to acquire the necessary property.

The development anticipated by JCMC and approved by Jersey City is also aligned with a public objective of the Grand Jersey Redevelopment Plan “to encourage development with a mixture of building types, uses, high quality building design and an intensity of development that will allow for a self-sufficient and vibrant new community serving as a model for healthy urban growth.”¹ As represented by JCMC and memorialized in the ordinance, the revenue derived from the development shall support the medical facility and allow it to continue to serve the neighboring community regardless of an individual's ability to pay.

Recommendation:

For the reasons stated above, Members are requested to authorize the Chief Executive Officer to approve and execute all documents required to release a 2004 deed covenant.



Tim Sullivan, CEO

Prepared by: John Kuehne
Juan Burgos
Cathleen Hamilton

¹ Grand Jersey Redevelopment Plan: III. Redevelopment Plan Objectives. <https://data.jerseycitynj.gov/explore/dataset/grand-jersey-redevelopment-plan/information/>

TRI-PARTY AGREEMENT

among

CITY OF JERSEY CITY

-and-

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

-and-

JERSEY CITY MEDICAL CENTER

Dated: October 21, 1994

ORIGINAL

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TRI-PARTY AGREEMENT

Agreement made as of the 21st day of October, 1994 by and among the **City of Jersey City** ("City"), a municipality of the State of New Jersey, with offices at 280 Grove Street, Jersey City, New Jersey 07302, the **New Jersey Economic Development Authority** ("EDA"), an instrumentality of the State of New Jersey with offices at 200 South Warren Street, CN 990, Trenton, New Jersey 08625, and **Jersey City Medical Center** ("JCMC"), (formerly known as the Jersey City Health Care Corporation or JCHCC), a New Jersey non-profit corporation with offices at 50 Baldwin Avenue, Jersey City, New Jersey 07304.

WITNESSETH:

WHEREAS, pursuant to Municipal Council Ordinance C-465 the City and JCHCC entered into a New Facility Agreement dated May 11, 1987, which required JCHCC to provide hospital and certain medical care services for persons residing in the City regardless of their ability to pay for such services; and further required the City and JCHCC to undertake certain mutual commitments for the acquisition, construction and installation of a new hospital and medical care facility referred to therein as the Grand Street Medical Facility ("New Facility"); and

WHEREAS, the City agreed to make a capital contribution of 10% of the Project Costs of the New Facility not to exceed a total of Twelve Million Dollars (\$12,000,000); and

WHEREAS, in furtherance of the City commitment and to effectuate the terms and conditions of the New Facility Agreement, the City, the Jersey City Redevelopment Agency ("JCRA") and JCHCC entered into a Contract for Sale of Land between Public Bodies and for Redevelopment dated November 25, 1987 ("Redevelopment Agreement"); and

WHEREAS, JCRA and JCMC have concluded that they are both unable to fully perform site acquisition in accordance with the terms of the Redevelopment Agreement due to no fault of either party; and

WHEREAS, EDA is authorized to undertake projects in the public interest and toward that end is authorized to purchase property within a municipality by negotiation or by eminent domain, if EDA determines that the property is reasonably necessary for the implementation of a public-interest project and receives the consent of the municipality within which such project is situated; and

WHEREAS, it is in the best interests of the City and JCMC to receive the assistance of EDA to implement the New Facility project, which will result in the construction of the New Facility in accordance with the Certificate of Need to replace the hospital facility currently operated by JCMC at 50 Baldwin Avenue, Jersey City ("Baldwin Avenue Facility"), insure the continuous provision of medical services to the citizens of Jersey City, including the indigent, continue the present employees of JCMC without layoffs,

provide new employment opportunities, and enhance the overall economic well being of the City; and

WHEREAS, EDA and JCMC entered into a Memorandum of Understanding dated December 23, 1992 as amended of even date herewith (collectively, "MOU") to undertake the construction of the New Facility on certain property located at Grand Street and Jersey Avenue, more specifically described as the "Grand Street Site" (refer to Defined Terms below for Block and Lots); and

WHEREAS, by Resolution 93-816 dated October 13, 1993, the Municipal Council of Jersey City authorized the exercise of eminent domain powers by EDA respecting the Grand Street Site.

NOW THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree as follows:

DEFINED TERMS

Acquisition Costs: Any and all necessary and appropriate costs actually incurred for or in connection with the acquisition of the Grand Street Site, either by purchase or by exercise of eminent domain, including the buildings and improvements thereon, and the preparation of such real property for the construction of the New Facility, including without limitation relocation costs, demolition and clearance of buildings and structures, grading, drainage improvements, dewatering improvements, toxic, hazardous and nonhazardous waste removal and expenses necessary for compliance with applicable environmental standards of the City, the County of Hudson, the State of New Jersey and the United States of America.

"Acquisition Costs" shall include costs of appraisals, title searches, title insurance, surveys, filing fees and reasonable fees of attorneys, architects, engineers and professional consultants, expenses of clearing title, payment of taxes and assessments and the discharge of liens and encumbrances, and the fee or fees imposed by EDA and characterized as administrative or oversight fees.

By way of amplification and not of limitation of the definition heretofore given, Acquisition Costs may include in addition to those matters defined hereinabove, any and all of the following costs, fees and expenses: expert witnesses; real estate, relocation, machinery/equipment and review appraisers; court costs, condemnation commissioners fees, evictions and other actions brought for possession, the cost of tenant, owner and business relocations, and of securing estimates and bids therefor; operation of acquired property including but not limited to payment of real estate taxes, water and sewer charges, general liability and fire insurance, utilities consumption and relocation costs, and any impositions present or future; back taxes and any water or sewer or other arrearages; fines; federal and Internal Revenue Service and other liens not satisfied by the just compensation paid for property; all routine and extraordinary property maintenance expenses for repairs, upkeep and other corrective measures required in order to satisfy and comply with Legal Requirements; property security to protect against damage from the elements, vandalism and/or theft; the removal and disposal of items of personal

property and/or realty and effects, inventories, contents of tanks and storage vessels considered part of any acquired realty and not otherwise relocated and not otherwise accounted for in demolition work; and demolition clearance and disposal costs.

Acquisition Costs shall also include without limitation, the following:

Any and all costs for which EDA and its agents, including the New Jersey Department of Transportation, may be responsible as a result of, or in connection with, EDA's acquisition, either by purchase or by exercise of eminent domain, of any and all properties contained within the Grand Street Site, its remediation of any conditions on any and all such properties, its relocation of those presently occupying any and all such properties, its clearance of, and demolition of, any existing development upon any and all such properties, and any other acts in which EDA shall engage in order to accomplish its obligations under this Agreement, as well as all administrative costs including, but not limited to, the costs and expenses of EDA for test borings, surveys, estimates, plans and specifications, and preliminary investigations therefor, and for supervising acquisition, development and construction, as well as for the performance of all other duties required by or consequent upon the proper acquisition, remediation, relocation, clearance and demolition of the Grand Street Site and all related development or activity, incurred by EDA or its agents attributable to the accomplishment of EDA's obligations under this Agreement.

EDA shall be responsible for the performance of all matters the costs of which are included within Acquisition Costs and for the disbursement from Escrow of all amounts required to accomplish same.

Certificate of Need: The Certificate of Need approved by the New Jersey Department of Health for the construction of a new hospital facility with a minimum 330 beds by JCMC as set forth in Certificate of Need #860918-09-01 dated May 11, 1987 as supplemented by letter dated July 9, 1993, and as it may from time to time be modified or amended by the New Jersey State Department of Health, provided that the number of beds shall not be reduced.

City Assistance: Those sums of money to be provided by the City to JCMC or EDA in an amount not to exceed the lesser of 10% of Project Costs or \$12 million, less credits, if any, as required by the provisions of Section 2(a) of the Restated New Facility Agreement.

City Property: That City owned land adjacent to the Grand Street Site, known as Lots 19H, 19Q, 19R and 20B in Block 60.

Construction Timetable: Exhibit C.

Escrow Agreement: That agreement among the City, JCMC, EDA and the Escrow Agent which provides for the terms and conditions of the deposit of the City Assistance and drawdowns thereof by EDA.

Grand Street Site: That land located in Jersey City, New Jersey known as Block 60, Lots A5, A6 and part of Lot 29, and all of Blocks 301, 302, 338, 339 and part of Block 375, shown as shaded in blue on Exhibit A-1 and described by metes and bounds on Exhibit

A-1A, and including all existing and future vacated streets and rights of way and other rights with respect thereto.

Ground Lease: The Agreement and Ground Lease of even date herewith between EDA and JCMC, respecting the Project Site and the New Facility.

Hospital Uses: The provision of services at least equal to the scope and quality provided by JCHCC as of January 1, 1988. "Hospital Uses" also means any use related to or arising out of the operation of a hospital facility, including but not limited to acute medical care facilities, indigent persons health care facilities, inpatient care facilities, ambulatory care facilities, ambulance service facilities, emergency care facilities, medical offices, housing primarily for medical staff members and hospital employees, facilities for use in connection with medical education and health education programs, physical plant facilities, food preparation and distribution facilities, pharmacy or other medical supply facilities, sundry shops or other service facilities primarily for the staff and patients and their visitors and invitees, and any and all other similar hospital, medical and health care service uses, and including other improvements and facilities in support of or otherwise ancillary to such Hospital Uses, including without limitation parking and service road areas and facilities. However, "Hospital Uses" shall not be used as the basis to exempt from real property taxation property not otherwise exempt under applicable law. As used in this Agreement, "Hospital Uses" shall be read generically, and shall not be interpreted as

intending to comprehend all or any particular of the uses described or referred to in this definition.

Improvements: The New Facility as defined above in this Agreement, consisting of the new hospital buildings and other improvements to be constructed or installed upon the Project Site by JCMC, inclusive of all facilities, amenities, off street parking, landscaping, and infrastructures (including but not limited to water mains and laterals, gas and electric services, sanitary and storm water sewers, streets and roads, utilities, site lighting, street trees, fire hydrants, sidewalks and curbs).

Indigent Persons: Persons residing in the City requiring medical treatment who are unable to pay for such services.

Insubstantial Use: Any use other than a Hospital Use or group of such non-Hospital Uses which both singly and in the aggregate comprise less than 5% of the gross usable square footage of all Improvements located on any site used by JCMC for Hospital Uses.

Legal Requirements: All Federal, State, county or municipal laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of, and agreements with, all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers having jurisdiction over the New Facility.

Memorandum of Understanding (MOU): The Memorandum of Understanding entered into by EDA and JCMC dated December 23, 1992,

as amended of even date herewith, to undertake the construction of the New Facility on the Project Site.

Municipal Council: The governing body of the City of Jersey City.

New Facility: The hospital and related buildings and facilities to be constructed on the Project Site and used for Hospital Uses, in accordance with the Certificate of Need and Exhibits B and C as may be supplemented by the Site Plan for the New Facility approved by the Jersey City Planning Board ("Site Plan").

Prohibited Use: Any use which is not an Insubstantial Use and not a use which is in support or in furtherance of, or otherwise commonly ancillary to, a Hospital Use. A use (which is not an Insubstantial Use) the revenues from which economically support the New Facility or its operations shall nevertheless be deemed a Prohibited Use if the activity of such use is commercial in nature and not limited to serving the patients and staff of the New Facility and their respective visitors and invitees. For example, a gift shop, cafeteria, etc. serving patients or staff and their visitors and invitees is not a Prohibited Use; a substantial use movie theater on New Facility premises serving the general public would be a Prohibited Use even if all revenues derived therefrom were dedicated to support the New Facility.

Project: The totality of the Grand Street Site, the Service Road Property and the New Facility, together with all matters

ating thereto as described herein or in the Restated New Facility Agreement.

Project Costs: The sum total of all costs incurred and to be incurred which are reasonable and necessary for carrying out all works and undertakings respecting the Project, including Acquisition Costs and other costs for the acquisition of the Grand Street Site, the construction and equipment of the New Facility (including the costs of financing same), and the relocation of JCMC to the New Facility. Such costs shall include, but are not necessarily limited to, interest prior to, during and for a reasonable period after such construction, start-up costs and costs of operation and maintenance during the construction period and for a reasonable additional period thereafter, the costs of necessary studies, surveys, plans and specifications, architectural, engineering, legal or other special services, site preparation and development, construction, reconstruction, equipment including fixtures, costs of demolition and removal, articles of personal property, EDA reserves for debt service, fees imposed upon JCMC by the Commissioner of Health of the State of New Jersey or EDA; other fees charged, and necessary expenses incurred in connection with the initial occupancy of the New Facility; and the costs of such other items as may be reasonable and necessary for the development of the Project. Total Project Costs are currently estimated to be substantially in excess of \$120,000,000.

Project Site: The Grand Street Site plus the Service Road Property, shown as shaded in blue on Exhibit A-3 and described by metes and bounds on Exhibit A-3A.

Redevelopment Plan: The plan which governs the development of a certain redevelopment area located within the City, including the Grand Street Site, which was adopted by Ordinance 93-029 on March 24, 1993 by the Municipal Council (the "Grand Jersey Redevelopment Plan").

Restated New Facility Agreement: That certain Restated New Facility Agreement of even date herewith by and among the City, JCMC and the Jersey City Redevelopment Agency.

Service Road Property: A portion of the City Property, shown as shaded in blue on Exhibit A-2 and described by metes and bounds on Exhibit A-2A.

Site Plan: Exhibit B, as the same may be supplemented and approved by the Jersey City Planning Board.

SEC.1 ACQUISITION AND DEVELOPMENT

1.1 Obligations of EDA

For and in consideration of the covenants and agreements herein contained and to be performed by the City and JCMC herein, EDA agrees to acquire the Grand Street Site and the Service Road Property together with the development rights therein, to perform all requisite demolition, clearance, relocation and environmental remediation in connection therewith, and to lease same to JCMC in accordance with the Ground Lease. EDA further agrees to complete all of the above obligations in a timely manner so as to enable

JCMC to perform its obligations under this Agreement within the applicable time frames hereinafter set forth. Such obligations are subject to all conditions and provisions of this Agreement and of the MOU, and contingent upon approval by the New Jersey Department of Environmental Protection of the Remedial Action Work Plan for the Project Site.

1.2 Acquisition

Subject to all conditions and provisions of this Agreement and the MOU, EDA shall acquire title to (a) all of the parcels of property (including improvements thereon, if applicable) comprising the Grand Street Site for amounts equal to the just compensation due the owners of such property, either in a negotiated purchase or through eminent domain, and (b) the Service Road Property as hereinafter provided.

Just compensation shall consist of the following amounts:

(i) The amount determined by EDA set forth on a detailed schedule approved by the City and JCMC to represent the offering price for each parcel of property; and

(ii) (a) the amount of any condemnation award that shall exceed the sum of the applicable amount described in (i) immediately above, plus any interest upon such award that shall exceed the interest accrued on any deposit made in that condemnation matter; or

(b) the amount paid to compromise or settle any claim for just compensation in excess of the applicable amount described in (i) immediately above; and

(iii) the cost of relocation of any occupant, tenant or possessor in or on the applicable property as may be required by law; and

(iv) the cost of correcting or eliminating any objections to title which are dischargeable through condemnation by EDA or otherwise as provided by law.

1.3 Payment of City Assistance

(a) Exhibit D is a comprehensive budget prepared by EDA and approved by both the City and JCMC, setting forth the estimated costs of acquisition, demolition, clearance, relocation and remediation of the Project Site ("EDA Budget").

(b) Within thirty (30) days following the execution and delivery of this Agreement but contingent upon receipt of the Disbursement Plan hereinafter described, the City shall deposit with the Bank named as the Escrow Agent in the Escrow Agreement referred to below, in an interest-bearing custodial escrow account ("Escrow"), with all interest thereon to be paid to the City on a quarterly basis, the full amount of the \$12,000,000 City Assistance. The parties acknowledge that \$10,000,000 thereof shall be used solely for Acquisition Costs of the Grand Street Site and \$2,000,000 thereof shall be used solely for the cost of testing and remediating the City Property (including the Service Road Property) as provided in subsection 4.8, and that the portion of such \$2,000,000 to be used for testing and remediation of the balance of the City Property shall be so used as soon following the testing and remediation of the Grand Street Property and the Service Road

Property as is reasonably practicable; provided, however, that if and to the extent that less than such amounts are in fact required for their respective purposes as set forth in this subsection 1.3, the unused balance(s) shall be applied to pay Project Costs. The obligations of the Escrow Agent and the parties hereto shall be set forth in an Escrow Agreement substantially in the form of Exhibit E (but subject to further changes as may be required by the Escrow Agent or its counsel); the parties acknowledge that the Escrow Agent will not be held responsible or liable for any act taken by it in good faith so long as such action would not constitute gross negligence.

(c) Payment from the Escrow will be made pursuant to the following procedures:

(1) Within thirty (30) days following the execution and delivery of this Agreement, EDA will prepare and submit a plan for the disbursement of moneys from Escrow ("Disbursement Plan"), setting forth with specificity for each parcel of property and each category of work (separately and in the aggregate) it is required to perform pursuant to this Agreement (acquisition, demolition, clearance, and remediation of the Project Site and the testing and remediation of the City Property) its revised estimate costs with respect thereto. For each such work category, the Disbursement Plan shall include a "contingency amount", representing an aggregate reserve amount not exceeding fifteen percent (15%) of the applicable category aggregate estimate, all or a portion of which reserve amount may be necessary to spend because of unforeseen

circumstances or underestimations of final costs. The estimates in the Disbursement Plan shall be supported by any and all relevant official reports, including without limitation the applicable appraisals and review appraisals, and the EDA/New Jersey Department of Transportation relocation survey. The Disbursement Plan thus prepared by EDA, together with copies of such supporting documentation, shall be sent to the City and JCMC, each of whom will have fifteen (15) days from its receipt thereof in which to approve or reject the Plan. If neither the City nor JCMC gives a written rejection of the proposed Disbursement Plan, specifying the grounds for such rejection, within such 15-day period, the proposed Disbursement Plan shall be deemed approved. If either the City or JCMC does file a rejection of the proposed Disbursement Plan, all parties shall expeditiously meet in good faith to negotiate and resolve any and all differences relating thereto, but if all such differences are not resolved within thirty (30) calendar days thereafter, the matter shall be resolved as provided in (b) of subsection 4.5. Upon approval, the Disbursement Plan shall then be added as an exhibit or schedule to the Escrow Agreement.

(2) After the Disbursement Plan is approved by the City and JCMC, EDA shall on a monthly basis, or more frequently if EDA determines that funds are needed more frequently, submit a draw request to the Escrow Agent, specifying the amount to be paid and the Acquisition Costs to be incurred. The draw request shall include a written certification or invoice from the applicable contractor or consultant and a letter from EDA verifying the

adequacy thereof. With respect to property acquisitions, the draw request shall include a copy of EDA's purchase offer letter setting forth the proposed purchase price (which purchase price shall remain open to further negotiation by EDA). Copies of the draw request shall be sent to the City and to JCMC simultaneously with the submission to the Escrow Agent.

(3) Once the Disbursement Plan has been approved by the City and by JCMC, and a draw request complies with the requirements of this (c), the City's and JCMC's only grounds for objection to a draw request shall be (i) that the amount of the proposed draw will exceed the total spent on the applicable work category by more than the 15% aggregate contingency reserve for that work category, or (ii) that any invoice(s) or certification(s) or verification(s) referred to in (c) (2) above was either not provided or contains any mathematical error(s). The City, JCMC and EDA agree that if neither (i) nor (ii) applies, the requested draw shall be deemed approved. Notwithstanding the foregoing, any draw request respecting acquisition of a property which is required in order to meet an amount determined as proper by a court of competent jurisdiction shall be automatically approved, and shall be promptly disbursed by the Escrow Agent.

(4) If neither the City nor JCMC files a written objection pursuant to (c) (3) (i) or (c) (3) (ii) above within five (5) business days following its receipt of a draw request, the Escrow Agent shall be authorized to remit to EDA and/or EDA's specified

payee(s) the amount(s) of the requested draw, on the sixth business day following the Escrow Agent's receipt of the draw request.

(5) If the Escrow Agent receives a written objection pursuant to (c) (3) (i) or (c) (3) (ii) above from the City or from JCMC within five (5) business days following its receipt of a draw request, the Escrow Agent shall not pay any amount pursuant to such objected-to draw request until it is notified in writing by all three parties hereto that such draw request or any portion thereof should be paid. If either the City or JCMC does file an objection to a draw request, all parties shall expeditiously meet in good faith to negotiate and resolve any and all differences relating thereto, but if all such differences are not resolved within thirty (30) calendar days thereafter, the matter shall be resolved as provided in (b) of subsection 4.5.

(6) The City's rights of approval provided in this subsection 1.3(c) shall terminate when the full \$12,000,000 of City Assistance has been disbursed from Escrow.

(7) The Escrow Agent shall not draw against the Initial or any Additional Letter(s) of Credit until all of the \$10,000,000 of City Assistance allocated to the Grand Street Site shall have been spent, or will be spent upon payment of the then currently requested draw from Escrow.

1.4 Payments by JCMC

If and to the extent the maximum amount of City Assistance has been expended by EDA or JCMC, as provided in subsection 1.3, and EDA requires further funds for Acquisition Costs, then JCMC shall

provide all such funding to EDA and provide security to the City for such obligation to the extent set forth in Section 5.

1.5 Conveyance of Service Road Property; Vacation of Certain City Streets

In consideration of JCMC's agreement to allocate \$2,000,000 of the \$12,000,000 City Assistance to the testing and remediation of the City Property as provided in subsection 1.3, the City agrees, promptly following execution hereof and receipt from JCMC of all requisite maps, surveys and legal descriptions, (i) to obtain an appropriate subdivision respecting Lots 19H, 19R and 20B in Block 60 so as to separate the Service Road Property from the balance of the City Property, and to convey the Service Road Property to EDA free and clear of liens or encumbrances, without payment from EDA and without credit against its City Assistance obligation to JCMC (and EDA agrees that the Service Road Property shall then be included within the Ground Lease to JCMC); and (ii) to cause to be officially vacated Gilchrist Street between Jersey Avenue and Monmouth Street; Varick Street south of Grand Street; Monmouth Street between Grand Street and the Service Road Property; and Canal Street between Monmouth Street and Jersey Avenue.

SEC.2 GROUND LEASE TO JCMC

2.1 Lease Commencement

Upon acquisition of title to each property constituting a part of the Project Site, EDA shall ground lease such parcel to JCMC as provided in the Ground Lease. EDA will provide written notice to

the City and JCMC as acquisitions of portions of the Project Site are completed.

2.2 Apportionments

Real estate taxes or other impositions assessed against the Project Site for the tax year during which EDA shall have acquired title to same shall be paid by EDA to the City from and after the date of EDA's acquisition of title to the property, or part thereof, through the end of the then current calendar year and shall be paid when due by EDA, subject to the City Assistance being provided to EDA for such purposes.

EDA and JCMC intend that from and after the end of the tax year in which EDA acquires the Project Site or any individual part or parcels thereof, all such parcels shall be tax-exempt and no longer subject to City tax levy, or County of Hudson or any other assessments or impositions by either under presently applicable statutes. The parties acknowledge, however, that should EDA, as owner, be required to pay any real estate tax payments, special assessments or any other similar levy, EDA shall promptly pay such levies and may charge same against the City Assistance, if not otherwise then depleted; and that such levies shall be considered as included within Acquisition Costs.

It is recognized by the parties that no special assessment or lien is to result from the City Assistance, or from the monies contributed as the "local share" of the Project Costs through City Ordinance C-484 or from any other financing appropriation made available by the City in fulfillment thereof, via the Local Bond

... or any other means employed by the City to accomplish same, as stated in Section 2 of City Ordinance C-484.

EDA covenants to the City and JCMC that with respect to negotiated property acquisitions, it shall pay and discharge or cause to be paid and discharged all outstanding real property taxes, liens (municipal or otherwise) and municipal charges, and any other impositions against the parcels constituting the Project Site; and that with respect to property acquired through its exercise of eminent domain, such taxes, liens and other charges and impositions will be subject to and paid in accordance with a court order determining allocations of the condemnation award. Upon acquiring its ground leasehold interest in the Project Site, JCMC shall assume full financial responsibility for all outstanding real property taxes, liens (municipal or otherwise) and municipal charges, and any other impositions against the properties, to the extent EDA is obligated to pay or discharge same pursuant to this paragraph and EDA has not in fact discharged or paid same or caused same to be discharged or paid (as to which JCMC shall have the right to use the City Assistance if and to the extent EDA is in violation of its covenant as stated in this paragraph).

SEC.3 NO REPRESENTATIONS BY CITY

3.1 Acknowledgement by JCMC of No Representations

JCMC acknowledges and represents to the City that, except as expressly provided in this Agreement and/or in the Restated New Facility Agreement, JCMC is not relying upon any representations or warranties of the City, its agents, servants or employees, either

written or oral, express or implied, as to the value, use, condition, quality or fitness for use or purpose of the Project Site, or any other representation whatsoever, either express or implied.

SEC.4 ENVIRONMENTAL MATTERS

4.1 Covenant to Remediate

EDA hereby covenants to effect environmental remediation of the Project Site and the City Property pursuant to an approved Remedial Action Work Plan, all upon and subject to the terms and conditions set forth below in subsections 4.2 through 4.8.

4.2 Remedial Action Work Plan

(a) Grand Street Site. The parties acknowledge that a preliminary environmental evaluation of the Grand Street Site has been performed, including soil samplings, screenings for possible contamination, other testing, and analysis of results of all environmental investigations generally in accordance with established procedures, guidelines and regulations of the New Jersey Department of Environmental Protection ("NJDEP"). Based upon such preliminary study, EDA shall cause such additional investigations and testing to be performed at the Grand Street Site and cause to be obtained such sampling plans, data results, and other conclusions and reports as it deems appropriate, in order to prepare a plan for the remediation of the Grand Street Site, including a parcel-by-parcel statement of remediation and the projected costs thereof ("Remedial Action Work Plan"). Such Remedial Action Work Plan shall provide for the environmental

remediation of the entire Grand Street Site to no less than a standard approved by NJDEP in such manner as will satisfy all applicable state and federal requirements. JCMC shall have the option, in its sole discretion, to upgrade the standard specified in the Remedial Action Work Plan to which the Grand Street Site will be remediated, the costs of the upgrade to be paid by JCMC.

(b) City Property and Service Road Property. EDA will conduct environmental evaluations, investigations and testing on the City Property, including the Service Road Property portion thereof, and prepare separate additions to the Remedial Action Work Plan for each of the Service Road Property and the balance of the City Property, all as described and subject to the same conditions set forth in (a) immediately above respecting the Grand Street Site.

Pursuant to subsection 1.3, the sum of \$2,000,000 of the City Assistance shall be allocated in Escrow for the testing and remediation of the Service Road Property and the balance of the City Property. EDA shall cause the Service Road Property and the balance of the City Property to be tested and then remediated in accordance with the Remedial Action Work Plan, subject to approval by the NJDEP as set forth above in this (b); provided (i) the costs of all such testing and remediation shall not exceed \$2,000,000; (ii) such \$2,000,000 shall be paid by EDA from the City Assistance; and (iii) the extent of the testing and the portions of the Service Road Property and the balance of the City Property to be tested and remediated shall be determined by the City, EDA and JCMC.

\$2,000,000 shall be expended as follows: (A) testing of the Service Road Property and the balance of the City Property (to the same standards and subject to the same upgrading option in JCMC as provided in (a) immediately above respecting the Grand Street Site) in an amount not to exceed \$300,000; (B) remediation of the Service Road Property in an amount not to exceed \$300,000; and (C) remediation of the balance of the City Property until the full \$2,000,000 shall have been expended (but in no event beyond an aggregate of \$2,000,000 for (A), (B) and (C)).

(c) General. Any contractors or consultants to be retained after the execution of this Agreement with respect to the testing and remediation of the City Property, must receive prior written approval from the City, which approval shall be deemed given if not objected to in writing within fifteen (15) calendar days of its receipt of such information.

In order for EDA to qualify its various remediation costs for the Remedial Action Work Plan, EDA shall procure and contract for all such items in accordance with usual EDA standards, which are considered to be standard in the industry, and with firms or entities licensed or approved by the NJDEP.

Upon completion of an NJDEP-approved Remedial Action Work Plan (covering the Grand Street Site, the Service Road Property and the balance of the City Property), true copies thereof shall promptly be delivered to the City via its Department of Housing & Economic Development (JCDED), and to JCMC (Attention: Plant Operations Office). The Remedial Action Work Plan thus forwarded to the City

and JCMC shall include all investigation and testing results and data, the proposed methods of remediation, and all cost estimates in connection therewith. The parties agree to retain the Remedial Action Work Plan and all parts thereof in strictest confidence, and not release any portion thereof, until the entire Plan is approved by the NJDEP and all the parties hereto. Nothing herein shall bar EDA from complying with its legal obligations to notify property owners of the presence of environmental contamination prior to or in the course of engaging in purchase negotiations.

(d) The City hereby grants full access to all parts of the City Property, to EDA and its agents and to JCMC and its agents, so as to permit all of them to perform such tasks and to fulfill such purposes as are provided for in this Agreement.

EDA shall cause each of its agents and contractors who are to go upon the City Property to execute and deliver a written indemnity in favor of the City, indemnifying the City against all loss, cost or expense from any and all claims of any parties whatsoever arising out of the action or inaction of any such agent or contractor while on the City Property.

JCMC shall cause each of its agents and contractors who are to go upon the City Property to execute and deliver a written indemnity in favor of the City, indemnifying the City against all loss, cost or expense from any and all claims of any parties whatsoever arising out of the action or inaction of any such agent or contractor while on the City Property.

4.3 Objections to Remedial Action Work Plan

The City and JCMC shall have fifteen (15) calendar days following receipt of the DEP-approved Remedial Action Work Plan to file written objections to any of same with EDA. The only grounds of objection to the Remedial Action Work Plan shall be limited solely to alleged failures of the Remedial Action Work Plan to comply with any applicable standards or regulations of any governmental authority having jurisdiction. Such objections, if any, shall specify with particularity how or in what regard any portion(s) of the Remedial Action Work Plan fails to comply with such standards or regulations. If no written objections to the Remedial Action Work Plan are filed with EDA by either the City or JCMC within such fifteen (15) calendar day period, the Remedial Action Work Plan shall be deemed adopted for all purposes of this Agreement; and neither the City nor JCMC shall have any further right to object to or make any claim with respect to or arising out of the Remedial Action Work Plan except to the extent that any one or more "major changes" in the Remedial Action Work Plan are thereafter proposed by a party to this Agreement. As used herein, "major change" means a change in the Remedial Action Work Plan which would result in an increase in cost to accomplish same over the cost to accomplish what was originally in the Remedial Action Work Plan of 10% or more; or any non-monetary change which would significantly and substantially change the Project and its purposes and objectives from the Project and its purposes and objectives as herein described and as described in the Restated New Facility Agreement.

In the event any party to this Agreement shall file a written objection to the Remedial Action Work Plan, or to any "major change" which is proposed to be made to the Remedial Action Work Plan thereafter, the party seeking to make such change or to cause such change to be effected in connection with the Project shall have fifteen (15) calendar days to respond to the written objection, and all parties shall in good faith thereafter meet and discuss a resolution of their differences. If such differences are not resolved within thirty (30) days following the end of the foregoing 15-day response period, the matter will be resolved as provided in (b) of subsection 4.5.

4.4 NJDEP Compliance

Promptly following completion of all remediation work as shown in the Remedial Action Work Plan, and any additional remediation work required by NJDEP respecting the Project Site, EDA shall apply for a "no further action" letter from NJDEP respecting such remediation; and the issuance by NJDEP of such no further action letter shall be conclusive evidence that all requisite remediation respecting the Project Site or applicable portions thereof has been satisfactorily completed.

4.5 Bids for Remediation

(a) EDA shall obtain a minimum of three separate bids for each contract respecting the remediation of hazardous waste contamination. Such bids shall be certified to the City and must be from professional contractors licensed in the field of hazardous waste remediation. EDA shall award the bid to the lowest

responsible bidder in each case, and send written notification of such bid award together with backup information respecting the lowest responsible bid and bidder to the City within fifteen (15) calendar days following the notice of the award of the bid. The City shall have an additional fifteen (15) calendar days in which to file a written objection with EDA, but the City's right to object shall be limited to cases where the award of the bid was not to the lowest bidder. If no written objection to the bid award is filed with EDA by the City within such fifteen (15) calendar day period, the bid shall be deemed awarded for all purposes of this Agreement; and the City shall have no further right to object to or make any claim with respect to or arising out of the bid award. EDA shall use its best efforts to have the remediation of the hazardous waste contamination commenced within forty-five (45) calendar days of the acceptance of the award of the bid. In the event the City shall file a written objection to the bid award, EDA shall have fifteen (15) calendar days to respond to the written objection, and all parties shall in good faith thereafter meet and discuss a resolution of their differences. If such differences are not resolved within thirty (30) calendar days thereafter, the matter shall be resolved as provided in (b) immediately below.

(b) Any party hereto may apply to the Superior Court of New Jersey, Chancery Division, Hudson County, by way of Order to Show Cause or otherwise, for the prompt appointment by the Court of a person to act as Master to resolve any dispute between or among the parties hereto, pursuant to subsection 4.5(a) or any other

vision of this Agreement. Such Master shall hold such hearing(s) as he/she may determine, and shall render a decision in a written statement within thirty (30) days following the last hearing date. Such decision shall be final and binding upon the parties, without right of appeal. The fee of such Master shall be subject to approval of the Court appointing him/her, and shall be paid in full by the non-prevailing party or parties within thirty (30) days following the date of Court approval of the fee.

4.6 Limited City Role

The parties acknowledge and agree that the City has assumed no obligation, responsibility or duty to perform the remediation of any hazardous waste contamination on the Project Site or the City Property arising out of this Agreement or the Restated New Facility Agreement. Further, it is agreed that at such time as all of the City Assistance has been paid out of Escrow, the City shall have no further obligation, for funding or otherwise, respecting effectuation of remediation of any hazardous waste contamination on the Project Site. In the event that all remediation of hazardous waste contamination at the Project Site has not been concluded in accordance with the Remedial Action Work Plan (as the same may be amended from time to time as herein provided), but the City Assistance has been paid out in full for the purposes provided for in this Agreement, then JCMC shall be obligated to provide, from any funds available to it or from other sources, including financing, to pay for any and all remediation related expenses, mitigation and clean-up costs. In no event shall the City have any

obligation to allocate or appropriate any monies to the Project for the remediation of hazardous waste contamination in excess of those amounts of the City Assistance which have been applied to such purposes.

4.7 No Profit

EDA shall not be entitled to receive any profit as a result of its supervision, administration and effectuation of the hazardous waste contamination remediation pursuant to this Agreement; provided, however, that nothing contained herein shall prevent EDA from receiving its administrative fees from JCMC pursuant to the MOU.

4.8 Changes in Remedial Action Work Plan Required for Financing

In the event any governmental authority, or any issuer and/or lender providing any financing for the Project, or any party providing insurance or credit enhancement with respect thereto, shall require as a condition of its governmental approval or financing approval or insurance or credit enhancement approval, any one or more changes in the Remedial Action Work Plan, both the City and JCMC shall promptly approve such required changes to the Remedial Action Work Plan, in writing, unless such changes constitute "major changes" as defined in subsection 4.2. For example, if a lender were to require that all or any portion(s) of any parcel be removed as part of the Project Site or that the nature or extent of the remediation required be changed, then all the parties hereto shall follow such requirements so long as they

do not constitute major changes. If any such required changes should constitute "major changes", then the dispute resolution procedure set forth in (b) of subsection 4.5 shall be followed. Any portion of the Project Site that might be deleted from the Project Site if so required by a governmental authority having jurisdiction or by a lender providing funding for the Project or any party providing insurance or credit enhancement with respect thereto, shall not be acquired by EDA and leased to JCMC pursuant to the Ground Lease; but may be acquired by EDA and purchased or leased by JCMC in some other capacity, under the same terms and conditions as are provided in the MOU, but not as a part of the Project, provided the City has approved such independent transaction, which approval shall not be unreasonably withheld, denied or delayed.

JCMC acknowledges that its attempts to obtain financing for construction of the Project will be to the following sources in the following order: first, the New Jersey Health Care Facilities Financing Authority; second, to private sources (banks, insurance companies, private investment bankers, etc.); and third, to EDA. Nothing herein contained shall be deemed to imply that any such source shall have any obligation with respect thereto.

SEC.5 JCMC LETTER(S) OF CREDIT

5.1 Initial Letter of Credit

Within thirty (30) days following execution of this Agreement, JCMC shall provide an irrevocable, unconditional standby Letter of Credit in the amount of \$1 million in favor of the Escrow Agent

issued by Midlantic National Bank or other New Jersey Bank (or other financial institution) reasonably satisfactory to EDA and the City in substantially the form of Exhibit F ("Initial Letter of Credit"). The Initial Letter of Credit shall be for a period of one year, but it shall be the obligation of JCMC to renew the Initial Letter of Credit from year to year, at its sole cost and expense. In the event the amount required by EDA to be disbursed from Escrow shall exceed the Escrow fund available for the applicable disbursement, EDA (with the Escrow Agent) shall have the right to draw on the Initial Letter of Credit, from time to time, as needed.

5.2 Additional Letter(s) of Credit. In the event EDA should determine, at any time after it has begun paying contractors with respect to Acquisition Costs and/or paying money into court on condemnation actions or paying owners for property acquisitions, that the amounts it will spend and/or become contractually obligated to spend for such purposes within the next following ninety (90) days is less than the amount remaining in Escrow together with the amount available to be drawn under the Initial Letter of Credit ("Deficiency"), then EDA shall so notify JCMC and the City in writing, accompanied by appropriate objective documentation evidencing the need for additional moneys, including evidence of change orders and/or excess condemnation awards so as to exceed the applicable aggregate contingency amounts for the category or categories within the Disbursement Plan; and JCMC shall, within thirty (30) days following its receipt of such

written notice from EDA, cause an additional letter of credit, in the amount of the Deficiency, to be issued. Such Additional Letter(s) of Credit shall be in the same form and issued under the same conditions as applied to the Initial Letter of Credit, and EDA's right of drawdown against such Additional Letter(s) of Credit shall also be the same as applies to the Initial Letter of Credit. It is understood and agreed that the City is a third party beneficiary with respect to JCMC's obligations for Letter(s) of Credit pursuant to subsection 5.1 and this subsection 5.2, as well as a beneficiary of the proceeds thereof under the Escrow Agreement if and to the extent such proceeds are not used by EDA and EDA is relieved of its obligations under this Agreement and withdraws therefrom by reason of a default by JCMC.

5.3 Release of Letter(s) of Credit

Upon the entry of all final, nonappealable judicial and condemnation commission awards relating to the acquisition of properties within the Project Site, and the payment of all sums necessary to satisfy same, together with all other Acquisition Costs, specifically including environmental remediation, EDA with the prior written consent of the City (which consent shall not be unreasonably withheld, denied or delayed) shall notify JCMC that the Initial Letter of Credit and/or any Additional Letter(s) of Credit is/are no longer required, and should be released.

5.4 Cash Deposit(s) by JCMC

Anything to the contrary notwithstanding, JCMC reserves the right to utilize one or more cash deposits in lieu, in whole or in

... of the Initial Letter of Credit and/or any one or more Additional Letter(s) of Credit required of JCMC pursuant to this Section 5. In such event, all provisions of this Agreement which apply to any Letter(s) of Credit shall apply to such cash deposit(s).

SEC.6 COMMITMENTS OF THE PARTIES

6.1 Cooperation

It is agreed by the City that the actions of EDA in furtherance of the Project shall be accorded and given the full support and assistance of the City and its administrative, legislative and executive departments and affiliated organizations. It is understood and agreed by the City that passage of any required actions, resolutions, vouchers or payments, and all authorizations and enactments respecting the Project, shall occur expeditiously.

The City agrees that it shall in good faith cooperate with JCMC and EDA in the fulfillment of the terms of this Agreement, including without limitation to join in any applications and to execute any permits, site plans, subdivision plats and other instruments required in connection with the satisfaction of any of the procedures and requirements specified in this subsection 6.1 and in Section 9. In all such matters JCMC and EDA will deal with a Project Manager on behalf of the City, which Project Manager shall be any member of the Department of Housing and Economic Development designated by the Director thereof.

EDA agrees to conduct the acquisition, relocation, demolition and remediation contemplated hereunder with all due diligence and in a timely manner, within the applicable time frames shown in Exhibit C.

6.2 Ground Lease Agreement

EDA and JCMC agree that the following provisions of this Tri-Party Agreement will be included for the benefit of the City in their Agreement and Ground Lease: subsections 1.1 (Obligations of EDA), 5.1 and 5.2 (Initial Letter of Credit; Additional Letter(s) of Credit), Section 9 (Commencement and Completion of Improvements), and Section 10 (Special Covenants on Use of Project Site).

SEC.7 PREPARATION AND APPROVAL OF PLANS AND SPECIFICATIONS FOR DEVELOPMENT

7.1 Site Plan and Subdivision Approvals

Within twelve (12) months from the date of this Agreement JCMC shall prepare and submit to the Jersey City Planning Board and EDA all applications and documents as shall be required to obtain any required site plan and subdivision approvals for the Project in accordance with applicable City Ordinances and the Municipal Land Use Law (N.J.S.A. 40:55D-1 et. seq.), and consistent with the Redevelopment Plan. JCMC shall, at its own expense, obtain site plan approval for the construction of the Improvements on the Project Site, substantially in accordance with Exhibit B. The date upon which JCMC shall be required to file for site plan approval shall be extended until EDA has obtained effective site control

over the Project Site, but not exceeding the outside date therefor set forth in Exhibit C by more than one (1) year.

7.2 Termination by JCMC

In the event that within one hundred twenty (120) days from the date of submission of all applications and documents required by subsection 7.1, (i) JCMC has not received from the Jersey City Planning Board site plan approval for the Project and any significant delays have not been the fault of JCMC, or (ii) EDA has not obtained approval of its Remedial Action Work Plan from NJDEP, then at the election of JCMC upon written notice to the other parties hereto, this Agreement may be terminated without liability arising out of such termination, except that the City agrees to grant JCMC one or more (but not more than three) forty-five (45) calendar day extensions to the time allotted to JCMC to obtain such site plan and subdivision approvals, if so requested by JCMC. If JCMC does not terminate this Agreement for failure to meet the foregoing time requirements, then any failure to obtain the necessary site plan and subdivision approvals within such time periods which is caused by the Planning Board or which results from a mutual adjournment or extension of the hearing period of the applications for subdivision and/or site plan approval by the Planning Board, shall not be construed as a breach by JCMC of a performance time requirement or an Event of Default by JCMC provided that the Subdivision and Site Plan Application then under consideration is consistent with the requirements of the Redevelopment Plan and all applicable Legal Requirements.

7.3 Other Plans to be Submitted

JCMC shall also submit the following plans to the City Buildings Division and to EDA for their review and acceptance within ninety (90) calendar days of the date upon which JCMC receives the site plan and subdivision approval referred to above in subsection 7.1:

A. A plan showing the buildings, the site and site improvements, an elevation of the building(s) and details of the exterior treatment of the building(s) including color, type and texture of material to be used.

B. A lighting plan demonstrating that all "on site" walkways, parking areas and other areas accessible to pedestrians during the hours of darkness will be adequately lighted to promote pedestrian safety. Such plan will demonstrate the amount, placement, type and construction of the lighting.

C. A staging of improvements plan showing the order of proposed construction, including any temporary or interim construction or operating arrangements. This plan shall include JCMC's estimate for the timing of final site preparation, foundations, landscaping, installation of drives, sidewalks, and completion of construction, and should furnish such information and data necessary to enable the City to monitor the progress of the construction of the Improvements.

The plans, drawings, specifications and proposed construction staging schedule referred to in this subsection 7.3 are hereinafter called "Construction Plans". EDA's right of review and acceptance

of the Construction Plans shall be limited to the extent provided in Paragraph 8(b) of the Ground Lease.

7.4 Ancillary Applications

JCMC shall, at its own cost, promptly file for and thereafter pursue approval of all other Legal Requirements not specifically provided for herein, if any, which constitute a condition to the development by JCMC of the Project (collectively, "Ancillary Applications") , and shall simultaneously provide copies of all Ancillary Applications to the City and EDA.

7.5 Due Diligence

JCMC agrees to proceed with due diligence to satisfy the procedures and requirements specified in this Section 7 and in Section 9, and shall submit to the City a written report describing the status of all such approvals and Ancillary Applications within ten (10) days of the written request of the City.

7.6 Cooperation by City

The City agrees to proceed with due diligence to satisfy all of its obligations under this Agreement and the Restated New Facility Agreement.

SEC.8 FINANCING

This Agreement and the Ground Lease and the rights and obligations of the parties hereunder and thereunder are subject to JCMC securing, within twenty-four (24) months from the date hereof, written commitments for the necessary construction mortgage financing sufficient to undertake and complete the construction of

Project as provided in Exhibits B and C as supplemented by the Site Plan approved by the City Planning Board.

SEC. 9 COMMENCEMENT AND COMPLETION OF IMPROVEMENTS

9.1 Permits

(a) As to Site Assembly. EDA shall take any and all necessary steps to secure permits relating to site acquisition, demolition, clearance, relocation, and remediation of the Grand Street Site and the Service Road Property, and JCMC and the City shall cooperate with those efforts as necessary. The receipt of those required permits shall be achieved by EDA in such time and manner so as to enable EDA to conform to the applicable provisions of this Agreement, including but not limited to Exhibit C. The City, JCMC and EDA will cooperate fully in the preparation and submission of all such permit applications.

However, the City will extend the dates for performance by EDA pursuant to this Agreement for ninety (90) days from the date of the initial denial of any permit application(s) required in connection with any of the foregoing activities ("Approval Extension Period"), provided that EDA has diligently pursued and prosecuted such permit application(s). During the Approval Extension Period, EDA shall fully cooperate with the City, JCMC and any necessary third party to fulfill any other requirements in order to satisfy the permit issuing body that gave rise to or cause for the denial.

Any further extension of this Agreement beyond such Approval Extension Period and concerning EDA's attainment of all such

required permits shall be upon the written consent of the City, which consent shall not be unreasonably withheld, denied or delayed.

(b) As to Construction of Improvements. JCMC shall take any and all necessary steps to secure permits relating to construction of the Improvements, and EDA and the City shall cooperate with these efforts as necessary. The receipt of those required permits shall be achieved by JCMC in such time and manner so as to enable JCMC to conform to the applicable provisions of this Agreement, including but not limited to Exhibit C. The City, EDA and JCMC will cooperate fully in the preparation and submission of all such applications.

However, the City will extend the dates for performances by JCMC pursuant to this Agreement for ninety (90) days from the date of the initial denial of any permit application(s) required in connection with the construction of the Improvements ("Approval Extension Period"), provided that JCMC has diligently pursued and prosecuted such permit application(s). During the Approval Extension Period, JCMC shall fully cooperate with the City, EDA and any necessary third party to fulfill any other requirements in order to satisfy the permit issuing body that gave rise to or cause for the denial.

Any further extension of this Agreement beyond such Approval Extension Period and concerning JCMC's attainment of all such required permits shall be upon the written consent of the City,

which consent shall not be unreasonably withheld, denied or delayed.

9.2 Time for Commencement and Completion of Improvements

The construction of the Improvements and the obtaining by JCMC of all necessary permits and approvals therefor pursuant to all applicable Legal Requirements shall be commenced in phases as set forth in Exhibit C ("Construction Timetable"), unless extended by the City. Unless extended by the City or except as otherwise provided in this Agreement, all Improvements shall be completed within forty-eight (48) months after the date of the start of the construction as set forth in the Construction Timetable, unless construction is delayed, postponed or suspended as a result of any Force Majeure.

9.3 Covenant to Build

JCMC covenants and agrees to construct the New Facility upon the terms and subject to the conditions contained herein, together with the accessory and ancillary uses on the Project Site, all as contemplated by the Restated New Facility Agreement and as indicated in and on the Site Plan and the Construction Plans. All Improvements must be constructed consistent with the Redevelopment Plan and all applicable Legal Requirements. Infrastructure (sidewalks, utilities and site lighting, off street parking, street trees, landscaping, etc.) within the Project Site shall be installed by JCMC at its sole cost and expense as the various stages of construction require.

9.4 Reports on Progress

Commencing not later than three (3) months after execution and delivery of this Agreement, and continuing monthly thereafter, each of EDA and JCMC shall file a written report of its progress respecting its obligations under this Agreement with the City (simultaneous copy to the other), in such detail as may be reasonably required by the City.

9.5 Suspension of Construction

If JCMC shall abandon or suspend construction activities for a period of ninety (90) consecutive days and such abandonment or suspension is not cured, ended or remedied within thirty (30) consecutive calendar days after written demand by the City to do so, then the City shall have the right to declare JCMC in default of this Agreement and to seek proper remedies pursuant to this Agreement, provided that such abandonment or suspension is not the result of any event of Force Majeure.

9.6 Force Majeure

It is agreed that the deadlines stated in this Agreement and accompanying Exhibits respecting construction may be extended upon the written consent of the City, which consent shall not be unreasonably withheld, denied or delayed. In the event that commencement, continuation or completion of construction is prevented or substantially impeded by any event of Force Majeure ("enforced delay"), then any unexpired deadline shall be extended for the period of the enforced delay, provided that within thirty (30) days after the beginning of any such enforced delay, JCMC

notifies the City in writing of the cause or causes thereof, and requests an extension for the period of the enforced delay. Force Majeure, as used herein, means act of God, fire, earthquake, explosion, the elements, war, riot, mob violence or civil disturbance; the inability to procure or a general shortage of labor, equipment or facilities, energy, materials or supplies in the open market; failure of transportation; strike; walkout; action of a labor union; court order; law, rule, regulation or order of any governmental or public agency, body or authority; or any other similar cause not within the control of JCMC or EDA or the City, as applicable. Delays required for compliance with municipal laws regulating land use and construction, as well as NJDEP clearances, approvals or permits typical of the development process referred to in Sections 4, 7, 9 and 10, shall not be considered or construed as resulting from events of Force Majeure.

9.7 Contingency to JCMC Obligation to Construct

The obligations of JCMC to commence construction of the Improvements is contingent upon satisfaction of the following matters:

(a) The full \$12,000,000 City Assistance shall have been deposited by the City with the Escrow Agent.

(b) EDA shall have (i) acquired title to all of the parcels of property constituting the Grand Street Site and the Service Road Property, such that the entire Project Site shall have been ground leased to JCMC pursuant to (a) and (b) of Paragraph 1

: the Ground Lease; and (ii) completed all of its demolition, clearance, relocation and remediation obligations hereunder.

(c) JCMC shall have received all permits and approvals for construction of the Improvements from all federal, state, county and City governments and governmental agencies having jurisdiction, pursuant to all applicable Legal Requirements.

(d) JCMC shall have obtained funding for the construction of the New Facility and other aspects of the Project.

9.8 Changes in Improvements to be Constructed

JCMC shall not be permitted to construct any Improvements on the Project Site other than those as shown on the finally approved Site Plan and Construction Plans, nor shall it be permitted to make any substantial additions, changes, alterations, substitutions or modifications of the Improvements to be constructed, without the prior written consent of the City after review and approval by the City of the revised Site Plan and Construction Plans showing such additions, changes, alterations, substitutions or modifications, which consent shall not be unreasonably withheld, denied or delayed. The City and JCMC agree that modifications to the Construction Plans as required by the New Jersey Health Care Facilities Financing Authority, or Federal Housing Administration, or other lender or institution providing financing for the Project in whole or in part, or any party providing insurance or credit enhancement with respect thereto, and/or the City Planning Board, are probable, and that any such required changes will receive the concurrence of the City if consistency is maintained between the

land use regulations and controls of the Redevelopment Plan and the requested or required modifications.

SEC.10 SPECIAL COVENANTS ON USE OF PROJECT SITE

(a) JCMC hereby covenants to the City that the Project Site and thereafter the New Facility as constructed shall be utilized solely for Hospital Uses (except for Insubstantial Uses, if any).

(b) Separate and apart from any other legal or ethical obligation JCMC may have to treat City residents, including Indigent Persons, and without regard to the level of JCMC's uncompensated care payments from the State or any other source of direct or indirect payment, compensation or reimbursement, JCMC shall make available its hospital services to all residents of the City without regard to their ability to pay for such services.

(c) EDA hereby covenants to the City that it will not convey or lease the Project Site, or any portion thereof, without limiting the use thereof by its grantee or lessee and their respective successors and assigns as set forth in (a) of this Section 10; and that such restrictions shall be set forth in any deed conveying title and in any lease respecting such property; nor shall EDA use the Project Site or any portion thereof or suffer the same to be used, except as set forth in (a) of this Section 10.

(d) JCMC and EDA agree that their respective covenants in (a), (b) and (c) of this Section 10 shall survive the termination of this Agreement, except for a termination of this Agreement pursuant to the remedies described in subsection 11.3(c) (A) or (B) (1).

SEC.11 DEFAULT

11.1 Events of Default

Any of the following shall constitute an Event of Default under this Agreement:

(a) By JCMC:

(i) The failure to provide the Initial Letter of Credit within thirty (30) days of execution of this Agreement as provided in subsection 5.1 and the failure to cure such default within thirty (30) days of receipt by JCMC of written notice from the City or EDA of JCMC's failure to provide the Initial Letter of Credit.

(ii) The failure to provide for any additional Letter of Credit within thirty (30) days of receipt of notice requiring it to do so in accordance with subsection 5.2 and the failure to cure such default within thirty (30) days of receipt by JCMC of written notice from the City or EDA of JCMC's failure to provide any such additional Letter of Credit.

(iii) The failure to obtain the required approvals within the applicable times (as may be extended) as provided in Section 7 and subsection 9.1, notwithstanding full, prompt and diligent cooperation by the City and its agencies in connection therewith.

(iv) The failure to commence construction of the Improvements within the time period provided therefor in Exhibit C, or once having commenced construction, (A) the abandonment (hereby defined as no activity on the Project Site for a period of six (6)

consecutive months) of such construction or (B) the failure to complete construction of the Improvements within fifty-four (54) months following commencement of such construction.

(v) The failure to observe or perform any other material covenant or obligation of JCMC contained in this Agreement and such default shall have continued for a period of thirty (30) days after notice specifying such default and demanding that same be remedied shall have been given to JCMC by the City or EDA (unless such default cannot with due diligence be wholly cured within such period of thirty (30) days, in which case JCMC shall have such longer period as shall be necessary to cure the default, so long as JCMC proceeds promptly to cure the same within such thirty (30) day period, prosecutes the cure to completion with due diligence, and advises the City and EDA from time to time, upon the City's or EDA's request, of the actions which JCMC is taking and the progress being made).

(vi) If JCMC shall file a voluntary petition in bankruptcy or for reorganization or for an arrangement pursuant to the Bankruptcy Act or any similar law, federal or state, now or hereafter in effect, or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due, or shall suspend payment of its obligations, or shall take any action in furtherance of the foregoing; or if JCMC shall consent to the appointment of a receiver, trustee or liquidator (or other similar official), or if a petition or an answer proposing the adjudication of JCMC as a bankrupt or its

reorganization pursuant to the Bankruptcy Act or any similar law, federal or state, now or hereafter in effect, shall be filed in, and approved by, a court of competent jurisdiction and the order approving the same shall not be vacated or set aside or stayed within sixty (60) days from entry thereof, or if JCMC shall consent to the filing of such petition or answer.

(b) By EDA:

The failure to observe or perform any material covenant or obligation of EDA contained in this Agreement and such default shall have continued for a period of thirty (30) days after notice specifying such default and demanding that same be remedied shall have been given to EDA by the City or JCMC (unless such default cannot with due diligence be wholly cured within such period of thirty (30) days, in which case EDA shall have such longer period as shall be necessary to cure the default, so long as EDA proceeds promptly to cure the same within such thirty (30) day period, prosecutes the cure to completion with due diligence, and advises the City and JCMC and from time to time, upon the City's or JCMC's request, of the actions which EDA is taking and the progress being made).

(c) By the City:

(i) The failure to deposit the \$12,000,000 City Assistance into Escrow within thirty (30) days of the execution of this Agreement as provided in subsection 1.3 and the failure to cure such default within thirty (30) days of receipt by the City of

written notice from JCMC or EDA of the City's failure to deposit such \$12,000,000 into Escrow.

(ii) The failure to observe or perform any other material covenant or obligation of the City contained in this Agreement and such default shall have continued for a period of thirty (30) days after notice specifying such default and demanding that same be remedied shall have been given to the City by EDA or JCMC (unless such default cannot with due diligence be wholly cured within such period of thirty (30) days, in which case the City shall have such longer period as shall be necessary to cure the default, so long as the City proceeds promptly to cure the same within such thirty (30) day period, prosecutes the cure to completion with due diligence, and advises EDA and JCMC from time to time, upon EDA's or JCMC's request, of the actions which the City is taking and the progress being made).

11.2 Corresponding Defaults

An Event of Default by JCMC or the City under the Restated New Facility Agreement shall also constitute an Event of Default by such defaulting party under this Agreement.

11.3 Remedies

(a) In the event that the City defaults in its obligation to deposit the \$12,000,000 City Assistance into Escrow or in the event that JCMC defaults in its obligation to obtain issuance of the Initial Letter of Credit, then (i) the City and JCMC will have a cause of action against one another for specific performance of the defaulting party's obligation and for attorneys'

es in connection therewith (if specific performance is not granted, JCMC and the City may sue one another for damages resulting from the defaulting party's default and for attorneys' fees in connection therewith), and (ii) the obligations and covenants of EDA under this Agreement will be immediately suspended until such time as both \$12,000,000 and a \$1,000,000 Initial Letter of Credit have been deposited into Escrow; but at such time as the matter is thus resolved, the obligations of EDA will resume.

If the matter is not resolved by an action for specific performance, the non-defaulting party (either the City or JCMC) shall have the right to fulfill those obligations of the defaulting party within the next following sixty (60) days, in order that the purposes of this Agreement may move forward. If the matter is not resolved by an action for specific performance and the non-defaulting party has not elected to and in fact fulfilled those obligations of the defaulting party within such 60-day period, the defaulting party shall reimburse EDA for all money properly spent by EDA pursuant to this Agreement and indemnify EDA going forward for all potential liabilities related to the Project and resulting from the defaulting party's default, except that the defaulting party need not indemnify EDA for liabilities caused by the gross negligence of EDA or unreasonable acts of third parties which are not satisfied by entry of judgment for damages in favor of EDA.

Furthermore, in the event that the matter is not resolved by an action for specific performance and the non-defaulting party has not elected to and fulfilled those obligations of the defaulting

party within such 60-day period, any properties within the Project Site that have been acquired by EDA pursuant to this Agreement as of the date of the default shall be promptly conveyed by EDA to the non-defaulting party, either the City or JCMC, for a consideration of \$1.00. The non-defaulting party shall not have the right to reject or refuse such conveyance, but shall have the right to direct EDA to convey such properties to the defaulting party for a consideration of \$1.00. The defaulting party shall not have the right to reject or refuse such conveyance. The non-defaulting party shall also have the right to direct EDA to assign to it all rights EDA may have to property within the Project Site under any agreements to purchase and the corresponding right to direct the transfer of that assignment to the defaulting party. All conveyances or assignments will be in the form of a quitclaim deed or assignment, all subject to such mortgage and other liens as may then apply with respect to the Project, the Project Site or any part(s) thereof, and/or the Improvements or any part(s) thereof. Neither JCMC nor the City shall have any right of action against EDA for actions taken by it pursuant to this paragraph so long as it conveys title as provided in this paragraph.

(b) In the event that JCMC fails to issue any additional Letter of Credit in accordance with subsection 5.2: (i) the City may provide the applicable amount in funds or in a substitute Letter of Credit within the next following sixty (60) days, the cost of such provision of funds or Letter of Credit to constitute a demand loan to JCMC to be repaid with costs and market interest,

and (ii) the obligations and covenants of EDA under this Agreement will be immediately suspended until the applicable amount of funds are provided or the additional Letter of Credit is in fact issued. If the City does not provide such funds or obtain the issuance of a substitute Letter of Credit for JCMC within such 60-day period, EDA will be reimbursed and indemnified by the defaulting party, and any Project Site property or property rights owned by EDA shall be conveyed, in accordance with subsection 11.3(a).

(c) If JCMC defaults in that it (i) fails to obtain the required approvals as described in Section 7 (but subject to the provisions of subsections 7.2 and 7.6), or (ii) having obtained such approvals fails to commence construction of the Improvements within the time period provided therefor in Exhibit C, or once having commenced such construction (iii) abandons such construction or (iv) fails to complete construction of the Improvements within fifty-four (54) months following commencement of such construction, then, at the sole option of the City:

(A) the City shall have the right to obtain a quitclaim deed or deeds to all of the parcels of property constituting the Project Site from EDA, and to obtain quitclaim assignments by EDA and by JCMC of their respective interests in the Project Site arising out of the Ground Lease, all subject to such mortgage and other liens as may then apply with respect to the Project, whereupon this Agreement shall be terminated and no party hereto shall have any liability or obligation to any other party

hereto arising out of this Agreement or the Restated New Facility Agreement; or

(B) the City shall have the right to demand from JCMC an amount equal to the difference between (i) \$12,000,000 and (ii) the sum of (a) the amount (if any) which the City receives from the Escrow Agent on the return to the City of any monies then remaining in Escrow and (b) the amount(s) (if any) which the City obtains pursuant to any Letter(s) of Credit issued by JCMC pursuant to subsections 5.1 and 5.2 ("Deficiency").

(1) If JCMC pays the Deficiency in full to the City within ninety (90) days following JCMC's receipt of such demand, EDA shall convey the Project Site together with all of its rights in respect thereof pursuant to the Ground Lease to JCMC in accordance with subsection 11.3(a), whereupon this Agreement shall be terminated and no party hereto shall have any liability or obligation to any other party hereto arising out of this Agreement or the Restated New Facility Agreement.

(2) If JCMC fails to pay the Deficiency in full to the City within such 90-day period, then EDA shall convey the Project Site to the City, and EDA and JCMC shall convey all of their respective rights with respect thereto arising out of the Ground Lease to the City, whereupon this Agreement shall be terminated and the City shall have the right to bring suit against JCMC for damages sustained by it as a result of such default by JCMC (except that the value of the Project Site and the rights with respect to the Project Site obtained by the City from EDA and JCMC

as provided herein shall constitute an offset against the amount of damages sustained by the City as a result of such default by JCMC).

(d) If JCMC is in default as provided in (c) immediately above, JCMC shall reimburse and indemnify EDA for all unreimbursed costs and expenses incurred by EDA arising out of this Agreement, the Ground Lease and/or the MOU.

11.4 Reimbursement to JCMC of Sums Advanced to EDA in Place of Escrow Drawdown

In the event the City wrongfully prevents any draw from Escrow by EDA, and JCMC intervenes in order to prevent an Event of Default from occurring or to cure an Event of Default by the City by advancing moneys to EDA, then and in such circumstances JCMC shall be entitled to prompt reimbursement from the City or from the Escrow, as appropriate, such provision of funds to constitute a demand loan to the City to be repaid with costs and market interest.

SEC.12 ENVIRONMENTAL INDEMNITY

(a) JCMC shall indemnify and hold the City harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, or expenses (including without limitation reasonable counsel fees and disbursements), arising from any claim whatsoever by any person or entity that (1) hazardous or toxic substances have been stored or discharged in, upon or from any portion of the Project Site after it was acquired by EDA as contemplated in this Agreement, or (2) the Project Site or any portion thereof is subject to any remedial

...on or the imposition of any penalty or other obligation under any laws of the State of New Jersey or the United States of America pertaining to environmental protection arising out of any transaction or occurrence which happens after EDA acquired the Grand Street Site or the Service Road Property as contemplated in this Agreement, including without limitation: ECRA or ISRA; or the New Jersey Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq.; or the New Jersey Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq. These indemnification provisions shall survive the expiration or termination of this Agreement for whatever reason other than for default by the City.

(b) JCMC shall indemnify and hold EDA harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, or expenses (including without limitation reasonable counsel fees and disbursements), arising from any claim whatsoever by any person or entity that (1) hazardous or toxic substances have been stored or discharged in, upon or from any portion of the Project Site after EDA has duly completed all remediation pursuant to this Agreement and JCMC has taken sole control over the property in question, or (2) the Project Site or any portion thereof is subject to any remedial action or the imposition of any penalty or other obligation under any laws of the State of New Jersey or the United States of America pertaining to environmental protection arising out of any transaction or occurrence which happens after EDA has duly completed all remediation pursuant to this Agreement and JCMC has

taken sole control over the property in question, including without limitation: ECRA or ISRA; or the New Jersey Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq.; or the New Jersey Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq. These indemnification provisions shall survive the expiration or termination of this Agreement for whatever reason other than for default by EDA.

SEC.13 DEMOLITION

The commitment by EDA to demolish and clear the Project Site of all existing improvements is made with the express understanding among the City, JCMC and EDA that all such demolition work will be performed in accordance with the City's standard specifications for demolition, which specifications will be supplied to EDA by the City.

SEC.14 CERTIFICATE OF SUBSTANTIAL COMPLETION

Upon written application submitted to the City by JCMC, the City shall within thirty (30) calendar days of receipt of such application issue and deliver to JCMC a Certificate of Substantial Completion ("Certificate"), in recordable form, certifying to the completion of the construction of the Improvements on the Project Site, provided that construction of the Improvements has been substantially completed as contemplated herein. Further, the Certificate shall relieve the City, EDA and JCMC and their respective successors and assigns and transferees, of their respective obligations under this Agreement and the Restated New Facility Agreement and the Ground Lease, pertaining to the

acquisition and remediation of the Project Site and the construction of the Improvements, and the Certificate shall so state. At the request of the recipient of the Certificate, or its successors or assigns, the City shall execute and deliver to such party any additional documents for recordation that such party may reasonably request in order to clear title of such restrictions.

SEC.15 RIGHTS OF MORTGAGEES AND OTHERS

(a) Nothing herein contained shall be deemed a limitation upon the right of the holder of any mortgage on the Project Site or any part thereof to foreclose in the event of a default in the performance of the terms of any such mortgage or any of the obligations secured thereby. All rights of the City to acquire title to the Project Site and all rights of EDA to possession of and control over the Project Site as provided herein or in the Ground Lease shall be and remain subordinate to such mortgage(s) and shall be terminated and discharged by any judgment of foreclosure by or on behalf of the holder(s) of such mortgage(s).

(b) Any and all rights and privileges granted to or recognized in this Agreement on behalf of any lender or mortgagee or issuer of any debt obligation or instrument, shall also be deemed granted to and recognized on behalf of any party providing insurance or other credit enhancement in connection therewith, to the extent such party bargains for and obtains such rights or privileges in its documentation respecting the applicable insurance or other credit enhancement.

SEC.16 NOTICES AND DEMANDS

Any notice, demand, or other communication required or permitted under this Agreement shall be by registered or certified mail, postage prepaid, return receipt requested, or by overnight delivery service providing receipt against delivery, or delivered personally, at the addresses listed below for each party, and shall be effective upon receipt.

In the case of JCMC, to Jonathan M. Metsch, President and CEO, Jersey City Medical Center, 50 Baldwin Avenue, Jersey City, New Jersey 07304, with a simultaneous copy to: Sills Cummis Zuckerman Radin Tischman Epstein & Gross, P.A., One Riverfront Plaza, Newark, New Jersey 07102 Attn: Michael B. Tischman, Esq.

In the case of the City, to Corporation Counsel, City Hall, 280 Grove Street, Jersey City, New Jersey 07302, with a simultaneous copy to: JCMC Project Manager, Jersey City Housing and Economic Development, 9th Floor, 30 Montgomery Street, Jersey City, New Jersey 07302.

In the case of EDA, to Chief of Real Estate Development, New Jersey Economic Development Authority, 200 South Warren Street, CN 990, Trenton, New Jersey 08625, with a simultaneous copy to: Attorney General of the State of New Jersey, CN112, Trenton, New Jersey 08625 Attn: Section Chief, Licensing and Economic Development Section.

Such notice requirements may be met in the manner described above at such other addresses as a party may, from time to time, designate in writing to the others as provided herein. Notices on

behalf of a party may be signed and sent by an attorney for a party.

SEC.17 MISCELLANEOUS

17.1 Engineering and Architectural Data

Upon proper termination of this Agreement by the City pursuant to any provision hereof, JCMC or EDA shall furnish to the City without charge or fee, reproducible copies of all surveys and other data prepared by or for JCMC with respect to the Project Site and the contemplated development thereof (other than engineering and architectural studies, drawings and reports).

17.2 Maintenance

JCMC shall be responsible for maintenance and security of each portion of the Project Site from the date same is ground leased to JCMC pursuant to the Ground Lease.

17.3 Equal Employment Opportunity; Affirmative Action

With respect to JCMC's commitment to non-discrimination and certain other employment policies, JCMC hereby agrees to be bound by the Memorandum of Understanding and the First Source Agreement between the City and JCMC shown as Exhibit G.

17.4 Relationship to Other Agreements

The parties acknowledge that certain provisions or portions of the Restated New Facility Agreement and MOU have been specifically referred to herein. If there is a conflict between this Agreement and the Restated New Facility Agreement or MOU, this Agreement shall supersede the Restated New Facility Agreement and the MOU in interpreting the duties, obligations and rights of all the parties

...arding acquisition and lease of the Project Site and construction of the Improvements.

17.5 Section Headings; References

Any titles of the several Sections and subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provision hereof. References to any Section or subsection number shall always mean the corresponding Section or subsection of this Agreement unless specific reference is made to another agreement or document.

17.6 Severability

If any provision of this Agreement shall be determined to be invalid or unenforceable by a court of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement, all of which shall remain in full force and effect.

17.7 Amendment to Agreement

The City, EDA and JCMC agree that they shall amend this Agreement if reasonably required by the New Jersey Health Care Facilities Financing Authority or any other agency or party whatsoever providing funding for the Project, in whole or in part, or any party providing insurance or credit enhancement with respect thereto, and/or the Federal Housing Administration and/or any other authority having jurisdiction, or for other good cause consistent with the purposes of this Agreement. The City agrees to implement modifications to the City-approved Site Plan and Construction Plans if required by the Planning Board or any other entity or authority having jurisdiction over the Project, or if reasonably required to

further carry out the terms of this Agreement or to effect the completion of the Project (including without limitation construction of the New Facility), or for other good cause consistent with the purposes of this Agreement.

17.8 Exhibits

The following is a list and designation of all of the Exhibits to this Agreement, each of which is attached hereto and constitutes an integral part hereof:

Exhibit A-1. . . . Boundaries Map showing Grand Street Site

Exhibit A-2. . . . Boundaries Map showing Service Road Property

Exhibit A-3. . . . Boundaries Map showing Project Site

Exhibit A-1A Metes and Bounds Description -- Grand Street Site (Tract I and Tract II)

Exhibit A-2A Metes and Bounds Description -- Service Road Property

Exhibit A-3A Metes and Bounds Description -- Project Site

Exhibit B. . . . Site Plan (subject to modification and approval by City Planning Board)

Exhibit C Construction Timetable

Exhibit D EDA Budget

Exhibit E Escrow Agreement

Exhibit F Form of Letter of Credit

Exhibit G Memorandum of Understanding and First Source Agreement

IN WITNESS WHEREOF, EDA and JCMC have each caused this Agreement to be duly executed in its name and behalf by its chief executive officer and its seal to be duly affixed and attested, and the City has likewise caused this Agreement to be duly executed for

and on its behalf by the Mayor of the City, its duly empowered Officer, and its seal to be duly affixed and attested, all as of the date first above written.

ATTEST: (Seal)

Beth J. Sintek
Assistant Director

NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY

By:

Caren S. Franzini
Caren S. Franzini
Executive Director

ATTEST: (Seal)

Charles A. Sinsimer
Secretary

ATTEST: (Seal)

Robert Byrne
Robert Byrne, City Clerk

JERSEY CITY MEDICAL CENTER

By: Jonathan M. Metsch
Jonathan M. Metsch
President and CEO

CITY OF JERSEY CITY

By:

Bret Schundler, Mayor

ACKNOWLEDGEMENT

STATE OF NEW JERSEY)
: ss.:
COUNTY OF MERCER)

BE IT REMEMBERED, that on the 6th day of ~~September~~^{October}, 1994, before, the subscriber, a Notary Public of the State of New Jersey, personally appeared Beth E. Sztuk who, being by duly sworn on oath, deposes and makes proof to my satisfaction, that he/she is the Assistant Director of the New Jersey Economic Development Authority, a body corporate and politic of the State of New Jersey, the Authority named in the within Tri-Party Agreement; that the execution as well as the making of said Agreement has been duly authorized by a proper resolution of the Members of said Authority; that Caren S. Franzini is the Executive Director of the New Jersey Economic Development Authority; that deponent well knows the corporate seal of said Authority; and that the proper seal is affixed to said Agreement, which Agreement was signed by said Executive Director as and for the voluntary act and deed of said Authority, in the presence of deponent who thereupon subscribed his/her name thereto as attesting witness.

Beth E. Sztuk
Assistant Director

Sworn to and subscribed
before me the date aforesaid

Donna T. Reed

DONNA T. REED
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 11/10/99

ACKNOWLEDGEMENT

STATE OF NEW JERSEY)
: ss.:
COUNTY OF HUDSON)

BE IT REMEMBERED, that on the 30th day of September, 1994, before, the subscriber, a Notary Public of the State of New Jersey, personally appeared Charles Simbey who, being by duly sworn on his oath, did depose and said that he is the Secretary of the Jersey City Medical Center, a non-profit corporation of the State of New Jersey; that the execution, as well as the making of this Tri-Party Agreement has been duly authorized by the Board of Trustees of said Corporation, that Jonathan M. Metsch is the President and CEO of said Corporation, and that the seal affixed to said Agreement is the proper corporate seal and was thereto affixed, and said Agreement was signed and delivered by said President and CEO as and for the voluntary act and deed of said Corporation in the presence of deponent who thereupon subscribed his name thereto as attesting witness.

Charles A. Simbey
Secretary

Sworn to and subscribed
before me the date aforesaid

Nina S. Bonner, Esq.
Attorney, State of New Jersey

ACKNOWLEDGEMENT

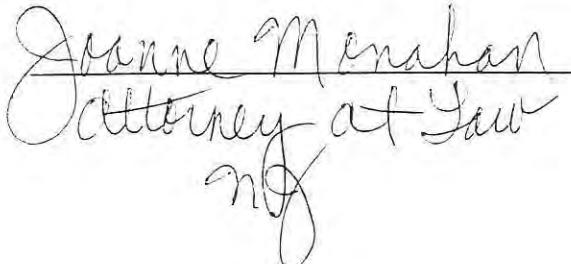
STATE OF NEW JERSEY)
: ss.:
COUNTY OF HUDSON)

BE IT REMEMBERED, that on the 21st day of October, 1994, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared Robert Byrne who, being by duly sworn on his oath, did depose and said that he is the City Clerk of the City of Jersey City, a municipal corporation of the State of New Jersey (hereinafter the "City"); that the execution as well as the making of this Tri-Party Agreement has been duly authorized by an ordinance of the City, that Bret Schundler is the Mayor of the City, that he well knows the corporate seal of the City and that the seal affixed to said Agreement is the proper corporate seal and was thereto affixed, and that said Agreement was signed and delivered by Bret Schundler, Mayor of the City as and for the voluntary act and deed of the City, in the presence of deponent who thereupon subscribed his name thereto as attesting witness.



Robert Byrne, City Clerk

Sworn to and subscribed
before me the date aforesaid



Joanne M. Mahan
Attorney at Law
nyc

GRAND STREET SITE
TRACT I
JERSEY CITY - HUDSON COUNTY - NEW JERSEY
AUGUST 11, 1994
REVISED AUGUST 15, 1994
(SEE DRAWING 2 OF 3 REVISED 8-11-94 "GRAND STREET SITE")

BEGINNING AT A POINT OF INTERSECTION OF THE SOUTHERLY R.O.W. LINE OF
GRAND STREET WITH THE EASTERLY R.O.W. LINE OF MONMOUTH STREET; THENCE

1. ALONG SAID SOUTHERLY R.O.W. LINE OF GRAND STREET $S82^{\circ}01'03"E$, A DISTANCE OF 834.84' TO AN ANGLE POINT; THENCE
2. ALONG A LINE THAT CONNECTS THE SOUTHERLY R.O.W. LINE OF GRAND STREET WITH THE WESTERLY R.O.W. LINE OF JERSEY AVENUE $S30^{\circ}00'39"E$, A DISTANCE OF 46.30' TO A POINT IN THE SAID WESTERLY R.O.W. LINE OF JERSEY AVENUE; THENCE
3. ALONG SAID R.O.W. LINE OF JERSEY AVENUE $S21^{\circ}59'44"W$, A DISTANCE OF 472.82' TO AN ANGLE POINT THEREIN; THENCE
4. ALONG THE SAME $N68^{\circ}00'16"W$, A DISTANCE OF 13.35' TO A POINT; THENCE
5. ALONG THE SAME $S21^{\circ}59'44"W$, A DISTANCE OF 573.13' TO A POINT AT THE SOUTHEAST CORNER OF LOT A6 IN BLOCK 60; THENCE
6. ALONG THE SOUTHERLY LINE OF LOT A6 $N68^{\circ}00'16"W$, A DISTANCE OF 149.60' TO A POINT; THENCE
7. ALONG THE SOUTHWESTERLY LINE OF SAID LOT A6 $N31^{\circ}22'45"W$, A DISTANCE OF 109.85' TO A POINT; THENCE
8. ALONG THE EASTERLY LINE OF LOT 19R $N14^{\circ}52'54"E$, A DISTANCE OF 481.96' TO A POINT IN THE SOUTHERLY LINE OF LOT 29; THENCE
9. ALONG SAID SOUTHERLY LINE OF LOT 41 (29) $S89^{\circ}23'56"W$, A DISTANCE OF 222.12' TO AN ANGLE POINT THEREIN; THENCE
10. ALONG THE SAME $S89^{\circ}04'46"W$, A DISTANCE OF 278.78' TO A POINT THEREIN, SAID POINT BEING IN LINE WITH THE WESTERLY R.O.W. LINE OF MONMOUTH STREET; THENCE
11. ALONG THE EXTENDED LINE OF THE WESTERLY R.O.W. LINE OF MONMOUTH STREET $N08^{\circ}04'33"E$, A DISTANCE OF 119.37' TO A POINT AT THE INTERSECTION OF THE NORTHERLY R.O.W. LINE OF CANAL STREET WITH THE WESTERLY R.O.W. LINE OF MONMOUTH STREET; THENCE

TRI-PARTY AGREEMENT/EXHIBIT A-1A (3 pages)

GRAND STREET SITE
TRACT I
PAGE 2
JERSEY CITY - HUDSON COUNTY - NEW JERSEY
AUGUST 11, 1994
REVISED AUGUST 15, 1994
(SEE DRAWING 2 OF 3 REVISED 8-11-94 "GRAND STREET SITE")
PAGE 2

12. ALONG SAID NORTHERLY R.O.W. LINE OF CANAL STREET N $89^{\circ}23'56''$ E, A DISTANCE OF 50.58' TO A POINT AT ITS INTERSECTION WITH THE EASTERLY R.O.W. LINE OF MONMOUTH STREET; THENCE
13. ALONG SAID EASTERLY R.O.W. LINE OF MONMOUTH STREET N $08^{\circ}04'33''$ E, A DISTANCE OF 397.84' TO THE POINT OF BEGINNING
CONTAINING 12.4155 ACRES OF LAND MORE OR LESS.

Vincent Schulte
VINCENT SCHULTE, L.S.
N.J. LICENSE #07071

Consulting Engineers

GRAND STREET SITE

TRACT II

BLOCK 375 - LOTS 8, 9, 10, 11, 12, 13, 14

JERSEY CITY - HUDSON COUNTY - NEW JERSEY

LJG REF. NO. 7582.4

AUGUST 11, 1994

(SEE DRAWING 1 OF 3 REVISED 8-11-94 "PROJECT SITE")

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY R.O.W. LINE OF GRAND STREET 80' WIDE WITH THE WESTERLY SIDE OF MONMOUTH STREET 50' WIDE; THENCE

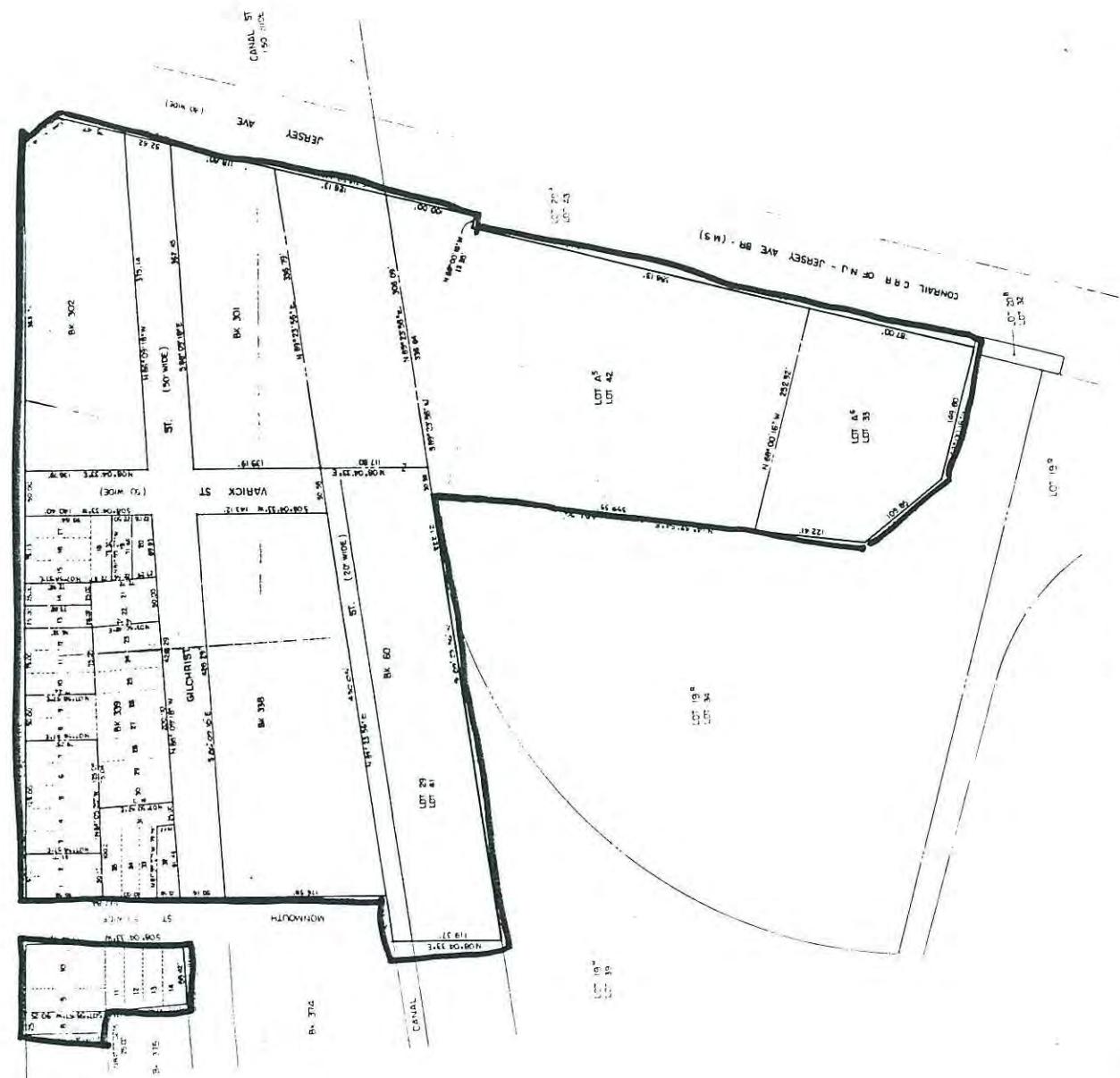
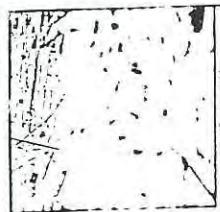
1. ALONG SAID WESTERLY LINE OF MONMOUTH STREET $S8^{\circ}04'33''W$, A DISTANCE OF 174.78' TO A POINT AT THE INTERSECTION OF THE SAID WESTERLY R.O.W. OF MONMOUTH STREET WITH THE NORTHERLY R.O.W. LINE OF GILCREST STREET; THENCE
2. ALONG SAID NORTHERLY R.O.W. LINE OF GILCREST STREET $N86^{\circ}09'18''W$, A DISTANCE OF 68.42' TO A POINT THEREIN; THENCE
3. ALONG THE EASTERLY LINE OF LOT 57 IN BLOCK 375 $N03^{\circ}50'42''E$, A DISTANCE OF 89.69' TO A POINT AT THE NORTHEAST CORNER OF THE LANDS N/F BELONGING TO LEON WEINSTOCK; THENCE
4. ALONG THE NORTHERLY LINE OF LOT 57 IN BLOCK 375 AS SHOWN ON THE OFFICIAL TAX MAP OF JERSEY CITY $N84^{\circ}07'02''W$, A DISTANCE OF 25.02' TO A POINT AT THE NORTHEAST CORNER OF LOT 55 IN BLOCK 375 AS SHOWN ON SAID TAX MAP; THENCE
5. ALONG THE EASTERLY LINE OF LOT 54 IN SAID BLOCK 375 $N07^{\circ}58'57''E$, A DISTANCE OF 91.17' TO A POINT IN THE HERETOFORE SOUTHERLY R.O.W. LINE OF GRAND STREET; THENCE
6. ALONG SAID R.O.W. LINE OF GRAND STREET $S82^{\circ}01'03''E$, A DISTANCE OF 100.00' TO THE POINT OF BEGINNING.

CONTAINING 15,261.97 SQUARE FEET OF LAND.

THE HERETOFORE DESCRIBED PARCEL IS INTENDED TO BE LOTS 56, 58, 59, 60, 61, 62, 63 AND 64 IN BLOCK 4 AS SHOWN ON A MAP FILED IN THE HUDSON COUNTY CLERK'S OFFICE AS MAP NO. 447.



VINCENT SCHULTE, L.S.
N.J. LICENSE #07071



-71- PAPY MORTGAGE/EXHIBIT A-1-

THE BOSTONIAN

SERVICE ROAD PROPERTY
 AREA TO BE PURCHASED FROM JERSEY CITY
 BLOCK 60 PORTION - LOTS 29 - 19H - 19R - 20B
 AUGUST 11, 1994
 REVISED 8-15-94
 (SEE DRAWING 3 OF 3 REVISED 8-11-94 "SERVICE ROAD PROPERTY")

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF LOT 41 (29) WITH THE EXTENTION OF THE WESTERLY R.O.W. LINE OF MONMOUTH STREET, SAID POINT BEING S08°04'33"W ALONG SAID R.O.W. LINE EXTENDED A DISTANCE OF 119.37'; THENCE

1. FORMING A NEW LINE THROUGH LOT 39 (19H) AND EXTENDING THE WESTERLY R.O.W. LINE OF MONMOUTH STREET S08°04'33"W, A DISTANCE OF 25.24' TO A POINT; THENCE
2. FORMING A NEW LINE THROUGH LOTS 39 (19H) AND 34 (19R) S82°01'03"E, A DISTANCE OF 410.44' TO A POINT; THENCE
3. FORMING A SECOND NEW LINE THROUGH LOT 34 (19R) S21°59'44"W, A DISTANCE OF 504.76' TO A POINT IN THE NORTHERLY LINE OF LOT 19Q; THENCE
4. ALONG THE NORTHERLY LINE OF LOT 19Q S68°00'16"E, A DISTANCE OF 348.35' TO A POINT IN THE EASTERN LINE OF LOT 19Q; THENCE
5. ALONG THE WESTERLY LINE OF SAID LOT 19Q S21°59'44"W, A DISTANCE OF 20.00' TO A POINT THEREIN; THENCE
6. ALONG THE SOUTHERLY LINE OF LOT 32 (20B) S68°00'16"E, A DISTANCE OF 20.00' TO A POINT IN THE SOUTHEASTERLY CORNER OF SAID LOT 32 AND IN THE WESTERLY R.O.W. LINE OF JERSEY AVENUE; THENCE
7. ALONG SAID WESTERLY LINE OF JERSEY AVENUE N21°59'44"E, A DISTANCE OF 100.00' TO A POINT AT THE NORTHEASTERLY CORNER OF LOT 32 (20B); THENCE
8. ALONG THE SOUTHERLY LINE OF LOT 33 (A6) N68°00'16"W, A DISTANCE OF 162.95' TO A POINT; THENCE
9. CONTINUING ALONG SAID LOT 33 (A6) N31°22'45"W A DISTANCE OF 109.85' TO A POINT; THENCE
10. ALONG THE WESTERLY LINE OF LOTS 33 (A6) AND 42 (A5) N14°52'54"E, A DISTANCE OF 481.96' TO A POINT IN THE SOUTHERLY LINE OF LOT 41 (29); THENCE

TRI-PARTY AGREEMENT/EXHIBIT A-2A (2 pages)

SERVICE ROAD PROPERTY
AREA TO BE PURCHASED FROM JERSEY CITY PAGE 2
BLOCK 60 PORTION - LOTS 29 - 19H - 19R - 20B
AUGUST 11, 1994
REVISED 8-15-94
(SEE DRAWING 3 OF 3 REVISED 8-11-94 "SERVICE ROAD PROPERTY")
PAGE 2

11. ALONG SAID SOUTHERLY LINE OF LOT 41 (29) S $89^{\circ}23'56''$ W, A DISTANCE OF 222.12' TO AN ANGLE POINT THEREIN; THENCE
12. ALONG THE SAME S $89^{\circ}04'46''$ W, A DISTANCE OF 278.78' TO THE POINT OF BEGINNING.

CONTAINING 2.434985 ACRES OF LAND MORE OR LESS.

THE ABOVE DESCRIBED PARCEL CONTAINS LOT 32 (FORMERLY 16B) A PORTION OF LOT 34 (FORMERLY 19R) AND A PORTION OF LOT 39 (FORMERLY 19H)

Vincent Schulte
VINCENT SCHULTE, L.S.
N.J. LICENSE #07071

LIPPINCOTT JACOBS & GOUDA

PAGE 1

Consulting Engineers
 JERSEY CITY MEDICAL CENTER
 PROJECT SITE
 AUGUST 11, 1994

(SEE DRAWING 1 OF 3 REVISED 8-11-94 "PROJECT SITE")

BEGINNING AT A POINT OF INTERSECTION OF THE SOUTHERLY R.O.W. LINE OF GRAND STREET WITH THE EASTERLY R.O.W. LINE OF MONMOUTH STREET; THENCE

1. ALONG SAID SOUTHERLY R.O.W. LINE OF GRAND STREET $S82^0 01' 03"E$, A DISTANCE OF 834.84' TO AN ANGLE POINT; THENCE
2. ALONG A LINE THAT CONNECTS THE SOUTHERLY R.O.W. LINE OF GRAND STREET WITH THE WESTERLY R.O.W. LINE OF JERSEY AVENUE $S30^0 00' 39"E$, A DISTANCE OF 46.30' TO A POINT IN THE SAID WESTERLY R.O.W. LINE OF JERSEY AVENUE; THENCE
3. ALONG SAID R.O.W. LINE OF JERSEY AVENUE $S21^0 59' 44"W$, A DISTANCE OF 472.82' TO AN ANGLE POINT THEREIN; THENCE
4. ALONG THE SAME $N68^0 00' 16"W$, A DISTANCE OF 13.35' TO A POINT; THENCE
5. ALONG THE SAME $S21^0 59' 44"W$, A DISTANCE OF 573.13' TO A POINT AT THE SOUTHEAST CORNER OF LOT A6 IN BLOCK 60; THENCE
6. ALONG THE LINE OF LANDS NOW OR FORMERLY BELONGING TO CONRAIL RAILROAD $S68^0 00' 16"E$, A DISTANCE OF 13.35' TO A POINT, SAID LANDS BEING DESIGNATED AS LOT 20B IN BLOCK 60 AS SHOWN ON THE OFFICIAL TAX MAP OF JERSEY CITY; THENCE
7. ALONG THE EASTERLY LINE OF A PARCEL OF LAND DESIGNATED ON SAID TAX MAP AS LOT 20B $S21^0 59' 44"W$, A DISTANCE OF 100.00' TO A POINT; THENCE
8. STILL ALONG SAID LOT 20B $N68^0 00' 16"W$, A DISTANCE OF 20.00' TO A POINT IN THE EASTERLY LINE OF LOT 19Q IN SAID BLOCK 60; THENCE
9. ALONG SAID EASTERLY LINE OF LOT 19Q $N21^0 59' 44"E$, A DISTANCE OF 20.00' TO A POINT MARKING THE NORTHEAST CORNER OF SAID LOT 19Q; THENCE
10. ALONG THE NORTHEASTERLY LINE OF SAID LOT 19Q $N68^0 00' 16"W$, A DISTANCE OF 348.35' TO A POINT THEREIN; THENCE
11. FORMING A NEW LINE THROUGH LOT 19R IN BLOCK 60 $N21^0 59' 44"E$, A DISTANCE OF 504.76' TO A POINT THEREIN; THENCE
12. FORMING A SECOND NEW LINE THROUGH LOT 19R AFORESAID AND EXTENDING INTO LOT 19H $N82^0 01' 03"W$, A DISTANCE OF 410.44' TO A POINT IN SAID LOT 19H; THENCE

TRI-PARTY AGREEMENT/EXHIBIT A-3A (2 pages)

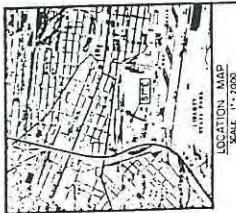
JERSEY CITY MEDICAL CENTER
PROJECT SITE
AUGUST 11, 1994
(SEE DRAWING 1 OF 3 REVISED 8-11-94 "PROJECT SITE")
PAGE 2

PAGE 2

13. ALONG A LINE THAT IS THE EXTENSION OF THE WESTERLY R.O.W. LINE OF MONMOUTH STREET EXTENDED N08°04'33"E, A DISTANCE OF 144.61' TO A POINT AT THE INTERSECTION OF THE WESTERLY R.O.W. LINE OF MONMOUTH STREET WITH THE NORTHERLY R.O.W. LINE OF CANAL STREET; THENCE
14. ALONG THE NORTHERLY R.O.W. LINE OF CANAL STREET (20' WIDE) N89°23'56"E, A DISTANCE OF 50.58' TO A POINT IN THE AFOREMENTIONED EASTERLY R.O.W. LINE OF MONMOUTH STREET.
15. ALONG SAID EASTERLY R.O.W. LINE OF MONMOUTH STREET N08°04'33"E, A DISTANCE OF 397.84' TO THE POINT OF BEGINNING.

CONTAINING 14.850529 ACRES OF LAND MORE OR LESS (646889.06 S.F.).

Vincent Schulte
VINCENT SCHULTE, L.S.
N.J. LICENSE #07071



LOCATION MAP

13

GRAND



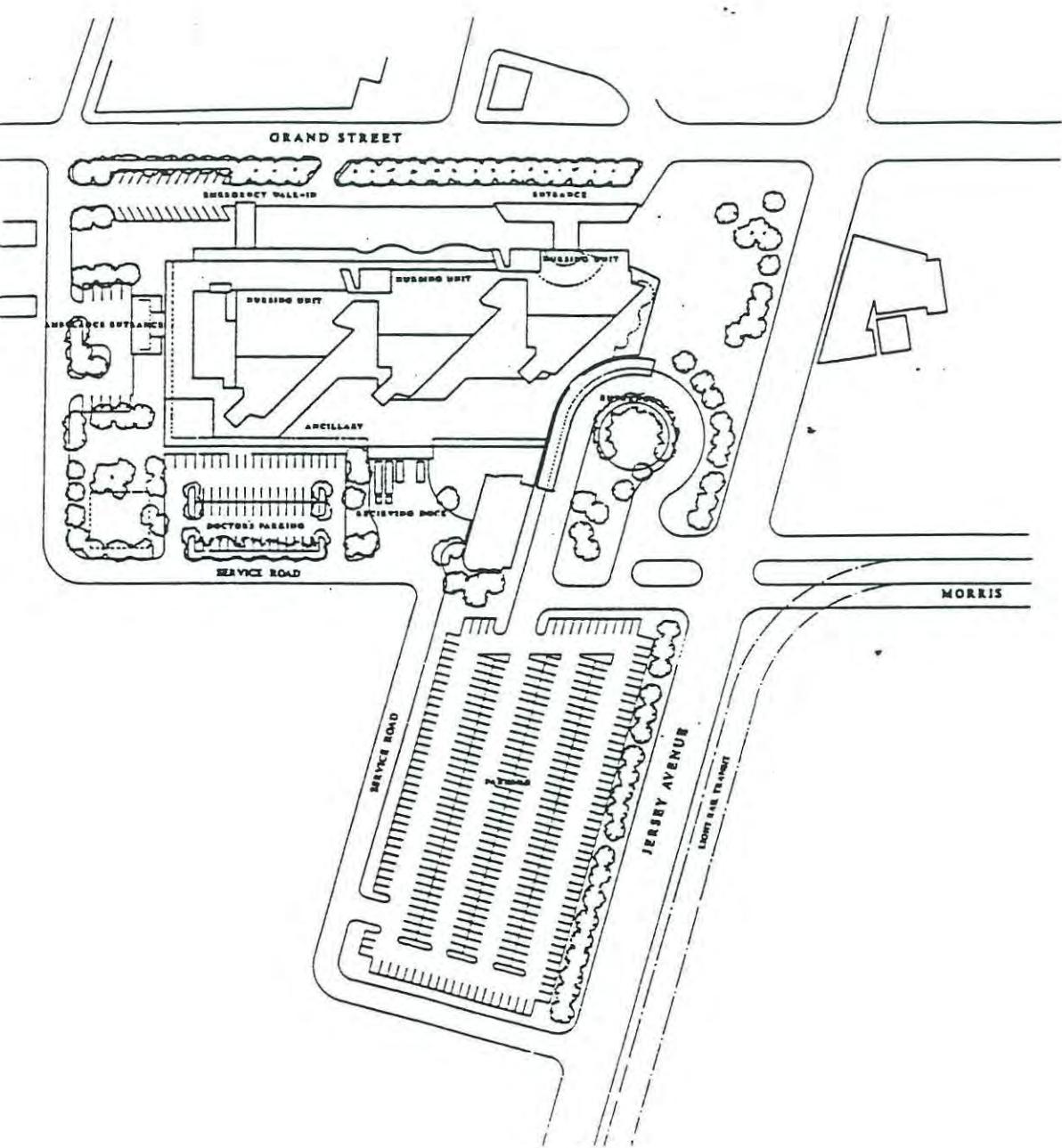
- 70 -

THE BOSTONIAN 11

LIPPIECOLI
JACOBSGOUDA
Consulting Engineers
ONE BROADWAY, NEW YORK, NEW YORK 10038

VINCENT SCHULTE

EXHIBIT B
SITE PLAN



SK -

JERSEY CITY MEDICAL CENTER
501 Harrison Avenue
Jersey City, New Jersey 07302

Ballinger E. E. F.
FIRST

SITE PLAT
ARCHITECTURE
SK -

~~CONFIDENTIAL~~

EXHIBIT "C"
CONSTRUCTION TIMETABLE

ITEM

<u>ITEM</u>	<u>OUTSIDE DATES</u>
• Sign Agreements	September 30, 1994
• City Assistance in Escrow	<u>As Per Tri-Party Agmt.</u> <u>December, 1994</u>
• Approved Remedial Workplan and Final Disbursement Plan from EDA	<u>As Per Tri-Party Agmt.</u> <u>November, 1994</u>
• Completed Acquisition & Ground Lease to Jersey City Medical Center	September, 1995
• Remedial Workplan Completed	March, 1996
• Subdivision and Site Plan to Planning Board	September 1, 1995
• Site Plan/Subdivision Approvals by Planning Board	January, 1996
• File Plans for Building Department Approvals	April, 1996
• Financing Commitment	March, 1996
• Start Construction Grand Street Medical Facility	September 1, 1996
• Complete Construction	September 1, 2000

EDA BUDGET

I. ACQUISITION COST - PROPERTY

<u>Property Address</u>	<u>Block/Lot(s)</u>
335-363 Grand St.	302/All
401-409 Jersey Ave.	301/All
Gilchrist Street	
Jersey Avenue	60/A5,A6 & P/O 29
221-231 Varick St.	338/158-181
Canal, Gilchrist Sts.	
Gilchrist St.	338/182-192
214 Monmouth St.	339/65
216-220 Monmouth St.	339/66,67 & 68
60 Gilchrist St.	339/73A
379-383 Grand St.	339/84,86 & 88
40-42 Gilchrist St.	339/91 & 93
233 Varick St.	339/99A
399-401 Grand St.	339/69 & 70
389-397 Grand St.	339/71,72,74 76 & 78
385-387 Grand St.	339/80 & 82
44-58 Gilchrist St.	339/75A,77,79, 81,83,85,87 & 89
377 Grand St.	339/90
375 Grand St.	339/92
237 Varick St.	339/98A
Canal & Monmouth St.	60/p/o 29. Dup 60/p/o 29

<u>Property Address</u>	<u>Block/Lot(s)</u>
403-407 Grand St. 215-221 Monmouth St.	375/58;60-64
Jersey Avenue	60/p/o 19H 60/p/o 19R
	<hr/>
Estimated Appraised Value	\$4,201,780.00
	<hr/>
II. ACQUISTION COST - Machinery & Equipment ("Current Sound Value")	
	<hr/>
Estimated Sound Value	\$149,434
	<hr/>
III. RELOCATION ESTIMATE	
Eight (8) residential households Nine (9) businesses NJ Department of Transportation Administrative Fee	
	<hr/>
Estimated Cost	\$535,600
	<hr/>
IV. ENVIRONMENTAL REMEDIATION ESTIMATE	
Remediation estimate - acquired property Investigation & remediation allowance - City property Remediation estimate - rights of way to be vacated	
	<hr/>
Estimated Cost	\$8,058,300
	<hr/>
V. ANTICIPATED RECOVERY OF ENVIRONMENTAL CLEAN UP COSTS	
	<hr/>
Estimated Recovery	(\$3,000,000.00)

VI. DEMOLITION ESTIMATE

Demolition (16 structures), disconnects, related
site work
Contingency
Contractor's general conditions

Estimated Cost	\$859,900
GRAND TOTAL -- I THROUGH VI	<u>\$10,805,014.00</u>

NOTES:

Property Acquisition - Value subject to review appraisal process and review as to legal sufficiency by condemnation counsel. NJEDA Board approval required.

Machinery & Equipment - Values subject to review appraisal process and comparison with real estate appraisals to eliminate overlap, if any. NJEDA will pay lesser of current sound value and estimated relocation cost.

Relocation - Estimate based on Assessor's data and appraisal inspections. NJDOT to initiate relocated survey on or about 8/1/95.

Environmental Remediation - Estimates based on reports prepared for NJEDA by Lippincott Associates. Subject to preparation of remedial action workplan and approval by NJDEPE. NJEDA will seek to deduct estimated remediation costs from offers of just compensation, where applicable.

Contingency - 15% unallocated contingency on items I through IV.

Demolition - Figure based on estimate provided by TORCON, Inc.

8/8/94

ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 1994 by and among the **City of Jersey City** ("City"), a municipality of the State of New Jersey, with offices at 280 Grove Street, Jersey City, New Jersey 07302, the **New Jersey Economic Development Authority** ("EDA"), an instrumentality of the State of New Jersey with offices at 200 South Warren Street, CN 900, Trenton, New Jersey 08625, **Jersey City Medical Center** ("JCMC"), a New Jersey non-profit corporation with offices at 50 Baldwin Avenue, Jersey City, New Jersey 07304, and _____ **Bank**, a national bank with offices at _____, New Jersey _____ (the "Escrow Agent").

Reference is made to that certain Agreement dated September __, 1994 among the City, EDA and JCMC designated as the "Tri-Party Agreement", respecting the acquisition of certain properties located in Jersey City, New Jersey and all requisite demolition, relocation and environmental remediation in connection therewith, and the construction on such properties of a new medical center facility which will be the new Jersey City Medical Center; and in particular, subsections 1.3, 5.1, 5.2 and 5.4 thereof. The parties are entering into this Escrow Agreement in order to meet the applicable requirements of those subsections as they relate to an Escrow, and to provide for the holding, investment and

TRI-PARTY AGREEMENT/EXHIBIT E (15 pages)

disposition by the Escrow Agent of the City Assistance, the Initial Letter of Credit and any subsequent Letter(s) of Credit as provided for in the Tri-Party Agreement. All capitalized terms used herein which are not separately defined herein but which are defined in the Tri-Party Agreement shall have the meanings specified in the Tri-Party Agreement.

Accordingly, the parties hereby agree as follows:

1. Escrow.

1.01. Appointment and Acknowledgement of Escrow Agent.

The City, EDA and JCMC hereby appoint the Escrow Agent and the Escrow Agent hereby accepts such appointment and agrees to serve as Escrow Agent pursuant to the applicable terms of the Tri-Party Agreement and this Escrow Agreement. The Escrow Agent hereby acknowledges receipt of a copy of the Tri-Party Agreement. In accordance with subsection 1.3 of the Tri-Party Agreement the City has, simultaneously herewith, delivered or transferred to the Escrow Agent the full \$12 million City Assistance (the "Deposit"). The Escrow Agent hereby acknowledges receipt of the Deposit, and agrees to hold, invest and dispose of the Deposit, together with any and all Letter(s) of Credit provided by JCMC which hereafter may be delivered to the Escrow Agent pursuant to the Tri-Party Agreement (collectively, with the Deposit, the "Escrowed Property"), in accordance with the terms and conditions set forth in this Escrow Agreement.

1.02. Operation of Escrow.

The parties hereto agree that the escrow created by this Escrow Agreement (the "Escrow") shall operate as follows:

(a) The Escrow Agent shall act with respect to any cash included as part of the Escrowed Property (the "Escrowed Funds"), any investment or reinvestment thereof, and any and all interest, dividends and distributions of any kind paid and any gains and losses realized ("Earnings") with respect to any such investment or reinvestment as provided in (b) immediately below. The Escrow Agent shall invest and reinvest the Escrowed Funds and any Earnings with respect thereto in such manner and for such maturity as the Escrow Agent may determine in its sole and absolute discretion, but only in (i) obligations of or guaranteed by the United States Government or any agency thereof; (ii) obligations of or guaranteed by any State of the United States or the District of Columbia, or any political subdivision of any such State or District; (iii) any fund established by a reputable financial institution or securities brokerage firm for investment solely in obligations of the type described in the foregoing clauses (i) and/or (ii) of this (a); (iv) any money market fund; or (v) any interest bearing accounts, time deposits or certificates of deposit (whether negotiable or non-negotiable) at or issued by the Escrow Agent or any other bank or trust company organized under the laws of the United States or any State thereof with capital of \$25,000,000 or more. The Escrow Agent shall not be required or have a duty to notify any of the other parties of any payment on or the

maturity of any instrument invested in pursuant hereto. In addition, the Escrow Agent shall not be required to take any legal action or other action to enforce payment of any such instrument.

(b) All Earnings on the Deposit shall be paid to the City quarterly, and all Earnings on any moneys deposited with the Escrow Agent by JCMC shall be paid to JCMC quarterly, in both cases on the first business day following the end of each calendar quarter (March 31, June 30, September 30 and December 31). Such payments shall continue to be made to the City notwithstanding any suspension of activity or any dispute between the parties respecting the Escrowed Property or their respective rights and obligation hereunder.

(c) The Escrow Agent shall hold the City Assistance of \$12 million in two (2) separate accounts: (i) \$10 million to be used solely for Acquisition Costs of the Grand Street Site, and (ii) \$2 million to be used solely for the cost of testing and remediating the City Property (including the Service Road Property) as provided in subsection 4.8 of the Tri-Party Agreement; provided, however, that if and to the extent that less than such amounts are in fact required for their respective purposes as set forth in (i) and/or (ii) of this (c), the unused balance(s) shall be applied to pay Project Costs.

(d) The Escrow Agent shall, at any time and from time to time, pay and/or deliver all or any portion(s) of the Escrowed Property (i) as prescribed in (e) immediately below, or (ii) as shall be directed in a writing signed by the City, EDA and

JCMC, or in an order, decree or judgment of a court of competent jurisdiction which has been finally affirmed on appeal or which by lapse of time or otherwise is not subject to appeal.

(e) The Escrow Agent shall honor written requests for draws against the Escrowed Property from EDA, or from the City or JCMC should either of them become the fee owner of the Project Site by deed from EDA pursuant to Section 11.3 of the Tri-Party Agreement, in accordance with the following:

(i) No draw against the Escrowed Property shall occur prior to the approval of the Disbursement Plan by both the City and JCMC, as contemplated in subsection 1.3(c) of the Tri-Party Agreement. Upon such approval a true copy of the Disbursement Plan shall be forwarded to the Escrow Agent which shall attach the Disbursement Plan as Schedule B to this Escrow Agreement.

(ii) EDA shall on a monthly basis, or more frequently if EDA determines that funds are needed more frequently, submit a draw request to the Escrow Agent, specifying the amount to be paid and the Acquisition Costs to be incurred. The draw request shall include a written certification or invoice from the applicable contractor or consultant and a letter from EDA verifying the adequacy thereof. With respect to property acquisitions, the draw request shall include a copy of EDA's purchase offer letter setting forth the proposed purchase price (which purchase price shall remain

remain open for further negotiations by EDA). Copies of the draw request shall be sent to the City and to JCMC simultaneously with the submission to the Escrow Agent.

(iii) Neither the City nor JCMC shall have any ground for objection to a draw request which complies with the requirements of (ii) immediately above unless (A) the amount of the proposed draw will exceed the total spent on the applicable work category by more than the 15% aggregate contingency reserve for that work category, or (B) any invoice(s) or certification(s) or verification(s) referred to in (ii) immediately above was either not provided or contains any mathematical error(s). The City, JCMC and EDA have agreed that if neither (A) nor (B) applies, the requested draw shall be deemed approved. Notwithstanding the foregoing, any draw request respecting acquisition of a property which is required in order to meet an amount determined as proper by a court of competent jurisdiction shall be automatically approved, and shall be promptly disbursed by the Escrow Agent.

(iv) If neither the City nor JCMC files a written objection pursuant to (iii)(A) or (iii)(B) above within five (5) business days following its receipt of a draw request, the Escrow Agent is hereby authorized to permit EDA to draw against the Custodial Account, and to remit to EDA and/or EDA's specified payee(s) the amount of the requested draw, on the sixth business day following the Escrow Agent's receipt of the draw request.

(v) If the Escrow Agent receives a written objection from the City or from JCMC pursuant to (iii)(A) or (iii)(B) above within five (5) business days following its receipt of a draw request, the Escrow Agent shall not pay any amount pursuant to such objected - to draw request until it is notified in writing by all three parties (the City, JCMC and EDA) that such request or any portion thereof should be paid. If either the City or JCMC does file an objection to a draw request, the City, JCMC and EDA shall expeditiously meet in good faith to negotiate and resolve any differences relating thereto, but if all such differences are not resolved within thirty (30) calendar days thereafter, the matter shall be resolved as provided in (b) of subsection 4.5 of the Tri-Party Agreement; and the Escrow Agent shall wait for written directions from the City, JCMC and EDA or the appointed Master following the resolution thereof before disbursing any monies in respect of such disputed such draw request.

(vi) The City's rights of approval provided in this subsection (e) shall terminate when the full \$12,000,000 of City Assistance has been disbursed from Escrow.

(vii) The Escrow Agent shall not draw against the Initial or any Additional Letter of Credit until all of the \$10,000,000 of City Assistance allocated to the Grand Street Site shall have been spent, or will be spent upon payment of the then currently requested draw from Escrow.

1.03. Further Provisions Relating to the Escrow.

(a) The Escrow Agent hereby agrees to serve as Escrow Agent for an annual fee and the charges set forth in Schedule A attached hereto and made a part hereof. In addition, the City (as to half) and JCMC (as to half) agree to reimburse the Escrow Agent for the Escrow Agent's reasonable fees and other expenses (including reasonable attorneys' fees) incurred by the Escrow Agent in connection with extraordinary services required hereunder or on account of disputes between the City, JCMC and/or EDA, except that if the City or JCMC is found to be the party at fault in such dispute, such party found to be at fault shall pay the full reimbursement to the Escrow Agent.

(b) The City and JCMC, jointly and severally, shall indemnify and hold harmless the Escrow Agent against and in respect of any and all claims, suits, actions, proceedings (formal and informal), investigations, judgments, deficiencies, damages, settlements, liabilities, costs and expenses (including reasonable legal fees and expenses of attorneys chosen by the Escrow Agent) as and when incurred, arising out of or based upon any act or omission or any alleged act or omission by the Escrow Agent or any other cause, but only in connection with the acceptance of, or the performance or non-performance by the Escrow Agent of, any of the Escrow Agent's duties under this Escrow Agreement, except as a result of the Escrow Agent's bad faith or gross negligence. Except in cases of the Escrow Agent's bad faith or gross negligence, the Escrow Agent shall be fully protected by acting in reliance upon any notice, advice, direction, other document or signature

believed by the Escrow Agent to be genuine, by assuming that any person purporting to give the Escrow Agent any notice, advice, direction or other document in accordance with the provisions hereof, in connection with this Agreement or in connection with the Escrow Agent's duties under this Agreement, has been duly authorized to do so, or by acting or failing to act in good faith on the advice of any counsel retained by the Escrow Agent. The Escrow Agent shall not be liable for any mistake of fact or of law or any error of judgment, or for any act or omission, except as a result of the Escrow Agent's bad faith or gross negligence.

(c) The Escrow Agent shall have no duties or responsibilities except those expressly set forth herein. The Escrow Agent shall not be bound by any waiver, modification, amendment, termination, cancellation or revision of this Escrow Agreement, unless in writing and signed by all other parties hereto and, if the Escrow Agent's duties as Escrow Agent hereunder are affected, unless the Escrow Agent shall have given its prior written consent thereto. The Escrow Agent shall not be bound by any assignment by any party hereto of its rights hereunder unless and until the Escrow Agent shall have received written notice thereof from the assignor. The Escrow Agent shall perform any acts ordered by a court of competent jurisdiction.

(d) If the Escrow Agent shall be uncertain as to the Escrow Agent's duties or rights hereunder, or shall receive any notice, advice, direction or other document from any other party with respect to the Escrowed Property which, in the Escrow Agent's

opinion, is in conflict with any of the provisions of this Escrow Agreement, or shall be advised that a dispute has arisen with respect to the payment, ownership or right of possession of the Escrowed Property or any part thereof (or as to the delivery, non-delivery or content of any notice, advice, direction or other document) the Escrow Agent shall be entitled, without liability to anyone, to refrain from taking any action, other than to use the Escrow Agent's best efforts to keep safely the Escrowed Property until the Escrow Agent shall be directed otherwise in writing by all other parties hereto or by an order, decree or judgment of a court of competent jurisdiction which has been finally affirmed on appeal or which by lapse of time or otherwise is no longer subject to appeal. In no event shall the Escrow Agent be under any duty to institute or to defend any proceeding, although the Escrow Agent may, in the Escrow Agent's discretion and at the expense of the City and JCMC as provided in Section 1.03(b) hereof, institute or defend such proceedings.

(e) If the Escrow Agent shall be unable to act or shall resign as Escrow Agent hereunder, the successor escrow agent shall be such institutional or other escrow agent as shall be mutually agreed upon by all other parties (the "Successor"). The Escrow Agent may at any time give written notice of its resignation (the "Notice of Resignation") to all other parties hereto. Such resignation shall take effect when the Successor accepts in writing its appointment as successor escrow agent and has received from the Escrow Agent the Escrowed Property. If no successor escrow agent has been

appointed and has accepted the Escrowed Property within sixty (60) days after the Resignation is sent, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent. Such court may thereupon appoint a successor escrow agent after the Escrow Agent deposits the Escrowed Property into court and after such notice, if any, to all other parties hereto as the court may deem proper and prescribe. This Escrow Agreement shall not otherwise be assignable by the Escrow Agent without the prior written consent of all other parties hereto.

(f) If the Escrow Agent is threatened with litigation or is sued, the Escrow Agent is hereby authorized to interplead all interested parties in any court of competent jurisdiction and to deposit the Escrowed Property with the Clerk of that court.

(g) The Escrow Agent's responsibilities and liabilities hereunder, except as a result of the Escrow Agent's own bad faith or gross negligence, will terminate upon the delivery by the Escrow Agent of all Escrowed Property pursuant to and in accordance with any applicable provision of this Escrow Agreement.

2. Miscellaneous.

2.01. Further Action.

At any time and from time to time, each of the parties hereby agrees, at its expense, to take such actions and to execute and deliver such documents as may be reasonably necessary to effectuate the purposes of this Escrow Agreement.

2.02. Survival.

The covenants, agreements, representations, and warranties contained in or made pursuant to this Escrow Agreement shall survive the delivery by the Escrow Agent of the Escrowed Property.

2.03. Modification.

This Escrow Agreement sets forth the entire understanding of all parties with respect to the subject matter hereof, supersedes all existing agreements among them concerning such subject matter hereof, and may be modified only by a written instrument duly executed by all parties hereto.

2.04. Notices.

Any notice, advice, direction, statement, objection, affidavit or other document or communication required or permitted to be given hereunder (collectively, "notice") shall be in writing and shall be mailed by certified or registered mail, return receipt requested, or hand-delivered to the party to whom it is to be given, or sent by Federal Express or other overnight delivery service providing receipt against delivery, at the address of such party set forth in the preamble to this Escrow Agreement (or to such other address as the party shall have furnished in writing in accordance with the provisions of this Section 2.04), with a copy to each of the other parties hereto, as follows:

In the case of JCMC, to Jonathan M. Metsch, the President of the Jersey City Medical Center, 50 Baldwin Avenue, Jersey City, New Jersey 07304, with a simultaneous copy to: Sills Cummis Zuckerman Radin Tischman Epstein & Gross, P.A., One Riverfront Plaza, Newark, New Jersey 07102 Attn: Michael B. Tischman, Esq.

In the case of the City, to the Corporation Counsel, City Hall, 280 Grove Street, Jersey City, New Jersey 07302, with a simultaneous copy to: JCMC Project Manager, Jersey City Housing and Economic Development, 9th Floor, 30 Montgomery Street, Jersey City, New Jersey 07302.

In the case of EDA, to Director of Real Estate, New Jersey Economic Development Authority, 200 South Warren Street, CN 990, Trenton, New Jersey 08625, with a simultaneous copy to: Attorney General of the State of New Jersey, CN112, Trenton, New Jersey 08625.

In the case of the Escrow Agent, to _____
_____, with a simultaneously copy to: _____
_____.

Any notice delivered personally in accordance with the foregoing shall be deemed given or made on delivery against receipt. Any notice mailed in accordance with the foregoing shall be deemed made or given upon receipt or three (3) days after the certification or registration thereof, whichever is earlier. Any notice on behalf of a party may be signed and sent by the attorney for such party.

2.05. Waiver.

Any waiver by any party of a breach of any provision of this Escrow Agreement shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Escrow Agreement. The failure of a party to insist upon strict adherence to any term of this Escrow Agreement on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Escrow Agreement.

2.06. Binding Effect.

The provisions of this Escrow Agreement shall be binding upon and inure to the benefit of the City, EDA and JCMC and their respective successors and assigns, and shall be binding upon and inure to the benefit of the Escrow Agent and the Escrow Agent's successors and assigns.

2.07. No Third Party Beneficiaries.

This Escrow Agreement does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this Agreement (except as provided in Section 2.06).

2.08. Headings.

The headings in this Agreement are solely for convenience of reference and shall be given no effect in the construction or interpretation of this Escrow Agreement.

2.10. Counterparts; Governing Law.

This Escrow Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Escrow Agreement shall be governed by and construed in accordance with the laws of State of New Jersey, without giving effect to principles of conflict of laws.

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

ATTEST: (Seal)

Assistant Director

NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY

By: _____

Caren S. Franzini
Executive Director

ATTEST: (Seal)

JERSEY CITY MEDICAL CENTER

Secretary

By: _____

Jonathan M. Metsch
President and CEO

ATTEST: (Seal)

CITY OF JERSEY CITY

Robert Byrne, City Clerk

By: _____

Bret Schundler, Mayor

ATTEST: (Seal)

BANK

Secretary

By: _____

[ISSUING BANK]

Irrevocable Letter of Credit
Our reference no. _____
Transaction date: _____

BENEFICIARY:

NAME (1)
Address _____
Town, State _____

DEAR SIRS:

WE HEREBY ESTABLISH OUR IRREVOCABLE LETTER OF CREDIT IN THE
BENEFICIARY'S FAVOR FOR THE ACCOUNT OF **Jersey City Medical Center**
FOR U.S. DOLLARS (2) AVAILABLE BY THE BENEFICIARY'S
DRAFT(S) DRAWN ON US AT SIGHT.

DRAFTS SUBMITTED MUST BE ACCOMPANIED BY THE FOLLOWING:

A STATEMENT PURPORTEDLY SIGNED BY THE BENEFICIARY TO THE EFFECT THAT ALL CONDITIONS PRECEDENT TO THE AUTHORIZATION OF THE ESCROW AGENT TO DRAW AGAINST THIS LETTER OF CREDIT AS SET FORTH IN SECTION 1.03(e) OF AN ESCROW AGREEMENT DATED _____ AMONG THE CITY OF JERSEY CITY, JERSEY CITY MEDICAL CENTER AND THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, HAVE OCCURRED, AND THE UNDERSIGNED IS THEREFORE DULY AUTHORIZED TO DRAW AGAINST THE REFERENCED LETTER OF CREDIT TO THE EXTENT OF \$ _____. "

PARTIAL DRAWINGS: PERMITTED

DRAFTS MUST BE PRESENTED TO THE DRAWEE ON OR BEFORE (3)
(EXPIRATION DATE).

ALL DRAFTS MUST BE MARKED "DRAWN UNDER [ISSUING BANK] LETTER OF CREDIT NO. [REDACTED]".

WE HEREBY ENGAGE WITH YOU THAT ALL DRAFTS DRAWN AND PRESENTED IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION TO THE DRAWEE.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION), INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION 500.

(1) Escrow Agent
(2) \$1,000,000 for Initial Letter of Credit; applicable amount
for any Additional Letter(s) of Credit
(3) [First anniversary of issuance of Letter of Credit]

TRI-PARTY AGREEMENT/EXHIBIT F (1 page)

MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding made as of the ____ day of September, 1994, by and between the City of Jersey City (the "City") and the Jersey City Medical Center ("JCMC"), the Developer of a proposed New Medical Facility to be located at Grand and Jersey Avenues in Jersey City.

The Development is a major real estate project to be undertaken by JCMC and with the assistance of the City of Jersey City. Pursuant to a Restated New Facility Agreement of even date herewith between JCMC and the City, JCMC is required to provide a hospital and certain medical care services for persons residing in Jersey City regardless of their ability to pay and the City agreed to make a capital contribution of 10% of the project costs, not to exceed a total of 12 million dollars (\$12,000,000). JCMC has agreed to enter into a standardized First Source Agreement with the City, the purpose of which is to assure that employment opportunities created by the Development will be made available to Jersey City residents.

Working in cooperation with the City's Private Industry Council or Office of Employment and Training and the Department of Housing and Economic Development, JCMC has agreed to pursue an Employment Opportunity Plan for the Development. The following paragraphs set forth the Employment Opportunity Plan:

1. Undertakings by the Developer.

A. With respect to all persons employed by JCMC in connection with the construction, operation, maintenance of and provision of security to the New Medical Facility: JCMC will pursue as a goal the minimum employment of Jersey City residents in twenty-five percent (25%) of the workforce employed at the Development site. JCMC will further pursue a goal of employing a minimum of twenty-five percent (25%) of the workforce as women and minorities. The goals stated herein shall be with respect to JCMC's hiring of new employees.

JCMC will further look to the various Jersey City job training programs as a source of labor.

B. JCMC will enter into a First Source Agreement with the City substantially in the form attached to this Memorandum of Understanding as Exhibit "A".

C. JCMC will participate in Jersey City based employment programs and indicate such by execution of the appropriate letter of intent to participate with the Jersey City Office of Employment and Training or the Private Industry Council or its successor for job placement and/or training. However, JCMC will

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[09/08/94 11:29am; HOCHSTUHL_C]

not incur any additional staff, consulting or training expense in connection with this Memorandum of Understanding.

D. JCMC will assign or cause to be assigned a liaison/contact person who shall be responsible for coordinating JCMC's ongoing obligation under this Memorandum of Understanding, which is not intended to require any additional staff or consultants.

E. The provisions of A. through D. immediately above are subject to:

(i) the requirements, restrictions and limitations of applicable law and regulations;

(ii) the terms of applicable collective bargaining agreements; and

(iii) the acknowledged objective of JCMC to furnish medical and hospital services of a high quality in an efficient and economical manner by the selection of qualified available employees, contractors and vendors.

2. Effective Date; Binding Effect. JCMC hereby agrees to fulfill all of the understandings and responsibilities imposed by this Memorandum of Understanding and Exhibit "A" hereto from and after the date hereof. This Memorandum of Understanding shall be binding upon and inure to the benefit of the successor owner of the Development.

EXECUTED the date first above written.

JERSEY CITY MEDICAL CENTER

BY: _____
JONATHAN M. METSCH, PRESIDENT

CITY OF JERSEY CITY

BY: _____
BRET SCHUNDLER, MAYOR

Exhibit "A"

First Source Agreement

This First Source Agreement for recruitment, referral, and placement is between the City of Jersey City, New Jersey, hereinafter referred to as the "CITY", and the Jersey City Medical Center, hereinafter referred to as the "Employer", who will use the CITY as its first source for recruitment, referral, and placement of new employees, upon and subject to the terms and conditions hereinafter set forth.

NOW THEREFORE the Employer and City agree that:

I. GENERAL TERMS

A. The CITY wishes to assure continuing employment opportunities for economically disadvantaged and other residents of Jersey City, New Jersey with employers located within the Jersey City area.

B. The Employer wishes to use the Jersey City office of Employment and Training as a first source for recruitment and referral of new employees for construction trades, maintenance, and security personnel employed directly by the Employer relating to the Employer's construction of the new medical center ("development project"), whether such positions be full-time, part-time or seasonal, subject to the conditions and limitations set out in this Agreement.

C. The City will provide employment recruitment and referral services to the Employer, subject to the conditions and limitations set out in this Agreement.

D. This Agreement shall take effect upon the effective date of the City Council act approving it.

II. RECRUITMENT

A. The CITY and the Employer agree that for the purposes of this Agreement, "Covered Positions" include all of the Employer's openings in Jersey City directly related to the Employer's development project, which are created as a result of internal promotions, terminations, and/or expansions within the Employer's workforce, which are normally filled by new employees.

B. At least five (5) business days prior to the announcement, advertisement or notification to any private employment or referral agency of the availability of a Covered Position(s) (hereinafter, the "Advance Notification Period"), the

Employer will notify the City of its need for new employees in Covered Positions.

C. This notification to the City shall include, at a minimum, the job title and job description; the minimum qualifications for the position, in quantifiable and objective terms; rate of pay; hours of work and the hiring date for each type of position to be filed, in order that the Jersey City Office of Employment and Training can refer qualified individuals to the Employer.

D. Job openings filled through internal promotions from within the Employer's workforce shall not be referred to the City but if the job is vacated by promoted/transferred workers it will be referred to the City.

III. REFERRAL

A. The CITY will pre-screen applicants in accordance with the qualifications listed by the Employer, but will make no representation as to applicant's abilities or qualifications.

B. The CITY will refer qualified applicants to the Employer in response to the notification of the need for new employees. Such referral shall be in accordance with a schedule agreed upon by the City and the Employer.

C. The CITY shall attempt to refer three (3) qualified applicants for each position listed. In the event that the City believes that it is unable to refer qualified candidates for such position(s) within the Advance Notice Period, it shall so inform the Employer.

D. The Employer shall interview qualified applicants referred by the City and shall assist the City in its pre-screening process by providing feedback on applicants referred by City.

E. The Employer may agree to enlist the assistance of the City's private recruitment agencies by allowing the City to release the job descriptions to Jersey City based Private Employment Agencies. Unless requested by the Employer, the City shall distribute the job descriptions simultaneously to each Jersey City based Private Employment Agency which registers with the City.

IV. PLACEMENT

A. The Employer shall make all decisions on hiring new employees. Nothing contained in this Agreement shall be construed to require the Employer or any service, maintenance,

security or management agent or independent contractor engaged by the Employer to hire any individual candidate referred by the City.

B. Nothing contained in this Agreement shall prevent the Employer from filling job vacancies or newly created positions by transfer or promotion from its existing staff or from a file of qualified applicants maintained by the Employer without having complied with the first-source procedures set forth above. Provided, however, that in the event the Employer should consider hiring new employees, the Employer shall give consideration to those applicants whose names are in a file of qualified applicants previously referred by the City and/or those other applicants who are Jersey City residents.

C. The Employer shall report its decision to the City to hire or not hire individuals referred by the City.

V. CONTROLLING REGULATIONS, LAWS, AGREEMENTS AND OBJECTIVE

A. If this Agreement conflicts with any federal, state or local laws or regulations, such laws or regulations shall prevail.

B. The Employer will not discriminate against any applicant for employment because of race, religion, age, handicap, color, sex, national origin, citizenship or political affiliation.

C. This Agreement is subject to:

(i) the requirements, restrictions and limitations of applicable law and regulations;

(ii) the terms of applicable collective bargaining agreements; and

(iii) the acknowledged objective of the Employer to furnish medical and hospital services of a high quality in an efficient and economical manner by the selection of qualified available employees, contractors and vendors.

VI. MODIFICATION

The CITY and the Employer may mutually agree to modify this Agreement in order to improve the working relationship described herein.

JERSEY CITY MEDICAL CENTER

BY: _____
JONATHAN M. METSCH, PRESIDENT

CITY OF JERSEY CITY

BY: _____
BRET SCHUNDLER, MAYOR

AMENDATORY AGREEMENT

This Amendatory Agreement made as of the 12th day of March, 2001, by and between JERSEY CITY MEDICAL CENTER ("JCMC") (formerly known as the Jersey City Health Care Corporation), a New Jersey non-profit corporation with offices at 50 Baldwin Avenue, Jersey City, New Jersey 07304 and the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (the "EDA"), an instrumentality of the State of New Jersey with offices at 36 West State Street, Post Office Box 990, Trenton, New Jersey 08625.

WITNESSETH:

WHEREAS, JCMC, EDA and the City of Jersey City (collectively referred to as the "Parties") are signatories to a Tri-Party Agreement dated October 21, 1994 (the "Tri-Party Agreement") which, *inter alia*, sets forth rights and obligations undertaken by the Parties in connection with a plan to develop a new hospital facility in Jersey City; and

WHEREAS, the Parties are signatories to an Amendment to Tri-Party Agreement, an Escrow Agreement, a Memorandum of Understanding, and a Ground Lease; and

WHEREAS, since 1996, EDA and JCMC have been involved in litigation (the "Hyman Litigation") with Mr. and Mrs. Hyman and related entities in connection with the taking by eminent domain of certain property pursuant to EDA's obligations under the Tri-Party Agreement, and in connection with other claims by Mr. and Mrs. Hyman and by the Department of Environmental Protection; and

WHEREAS, EDA has received an offer (the "Settlement Offer") to settle all aspects of the Hyman Litigation for \$8,000,000 (inclusive of all interest and counsel fees), but there is a ~~\$2,500,000~~ deficiency in the Escrow Account to fully pay the Settlement Offer; and

WHEREAS, EDA believes that it would be prudent to accept the Settlement Offer so that the objectives set forth in the Tri-Party Agreement may be accomplished; and

WHEREAS, JCMC is willing to consent to the acceptance of the Settlement Offer on the terms set forth herein.

NOW THEREFORE, JCMC and EDA make this agreement, amending the Tri-Party Agreement and the other previous agreements, as follows:

1. JCMC and EDA confirm that the Settlement Offer, if accepted, will constitute a reasonable Settlement of the Hyman Litigation.

\$ 2,444,500 200/1M

2. EDA will make up the Escrow Account deficiency and pay ~~\$2,500,000~~ (the "Settlement Contribution") towards the Settlement Offer if same becomes a settlement agreement.

3. At such time in the future that JCMC, its counsel and its financial advisors, in their sole discretion, shall determine that JCMC has the ability and is prepared to assume additional financial obligations, JCMC may seek approval of appropriate United States and New Jersey governmental agencies and of the holders of JCMC's indebtedness for JCMC's reimbursement of EDA, in whole or in part, for the Settlement Contribution, if made. Nevertheless, it is understood and agreed that this paragraph does not constitute a binding legal obligation, but is merely a statement of JCMC's present and contingent intent to examine in the future the possibility of JCMC's reimbursement, in whole or in part, of the Settlement Contribution made by EDA.

4. This Amendatory Agreement shall govern any reimbursement obligations of JCMC to EDA with respect to any Settlement Contribution, notwithstanding any provision in any previous agreement between the parties to the contrary.

5. This will confirm that, except as set forth herein, the Tri-Party Agreement and its Amendment, the Escrow Agreement, the Memorandum of Understanding and the Ground Lease shall remain in full force and effect. For example, without limitation, the Escrow Account will be used to the extent required by these previous agreements to contribute toward payment of any agreement settling the Hyman Litigation.

6. If the Hyman Litigation is not fully settled within 90 days of the date of this Amendatory Agreement, this Amendatory Agreement shall be null and void and no Settlement Contribution shall be made.

IN WITNESS WHEREOF, the JERSEY CITY MEDICAL CENTER and the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY have each caused this Amendatory Agreement to be duly executed as of the date first above written.

ATTEST:

Arnold K. Mytka
Arnold K. Mytka

JERSEY CITY MEDICAL CENTER

Tom MacEwan
Tom MacEwan

ATTEST:

David E. Nose
David E. Nose

NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY

Michael J. Francois
Michael J. Francois

MEMORANDUM

EXECUTIVE SESSION

TO: Members of the Authority

FROM: Caren S. Franzini
Executive Director

RE: Final Litigation Settlement Terms
Jersey City Medical Center Project

DATE: May 8, 2001

At the February meeting the Members authorized the use of Authority funds to settle our condemnation action and related litigation with Steven Hyman for the sum of \$8 million, inclusive of all claims and waiving interest. This equates to just compensation of approximately \$6.3 million plus interest. The Members concurred with our condemnation counsel that the settlement is a reasonable one given the volatile issues in the case and our overall exposure – \$11.4 million.

Following extensive negotiations with counsel to Mr. Hyman, the Jersey City Medical Center and the City of Jersey City, we executed three agreements in March: an overall agreement for settlement of the litigation; and two separate agreements with the City and the Medical Center. These three agreements allowed us to requisition \$2.6 million of City and Medical Center funds from the project escrow account. The City and Medical Center funds will be matched by \$2,444,500 from the Authority to constitute the \$5,044,500 payment necessary to settle the litigation. The difference, \$2,955,500, was paid into court from City funds at the start of the litigation.

The memorandum presented to the Board in February indicated that we would seek to obligate the Medical Center to repay us the funds we will be advancing – approximately \$2.5 million. This obligation, however, would be deferred until after the hospital's FHA-insured bonds close and would be conditioned upon either FHA approving the Medical Center's obligation to repay the \$2.5 million on a subordinated basis, or FHA's agreement to release collateral. The agreement that we've executed with the Medical Center generally confirms this arrangement; however, in recognition of the hospital's tenuous financing prospects and its need to avoid a change in financial condition, it does not cast the Medical Center's obligation as a loan from the Authority.

In the event that the new hospital does not obtain financing, City officials have agreed that when they sell the site of the proposed hospital, they repay us our settlement contribution from sale proceeds. This arrangement is set out in an agreement that has been approved by the Jersey City Municipal Council and executed by its business administrator.

In accordance with the final negotiated terms, I recommend that the Authority record this expenditure as a program loss resulting from a legal settlement rather than as a loan to the Jersey City Medical Center.

Ordinance of the City of Jersey City, N.J.

File No. **Ord. 25-097**
Agenda No. **3.3 (1st Reading)**
Agenda No. **(2nd Reading and Final Passage)**



AN ORDINANCE AUTHORIZING THE EXECUTION OF DOCUMENTS AMENDING AND RELEASING CERTAIN RESTRICTIONS IMPOSED ON BLOCK 15801, LOT 5 WITHIN THE JERSEY CITY MEDICAL CENTER SITE TO ALLOW FOR ITS REDEVELOPMENT.

COUNCIL AS A WHOLE offered and moved adoption of the following ordinance:

WHEREAS, on October 21, 1994, the City, JCMC, and the New Jersey Economic Development Authority (the "EDA") entered into a certain tri-party agreement, amended on August 4, 1999 (as amended, the "Tri-Party Agreement") to, among other things, secure funding from the EDA for the acquisition of property to facilitate, in accordance with the Facility Agreement, the completion of the new hospital and medical facility and a medical office building, all in accordance with the Grand Jersey Redevelopment Plan, adopted by the Jersey City Redevelopment Agency (the "JCRA") on March 24, 1993 and amended September 25, 2002, November 25, 2008, November 23, 2010, March 23, 2011, March 28, 2012, and May 13, 2015 (as amended, the "Grand Jersey Redevelopment Plan"); and

WHEREAS, the Facility Agreement and the Tri-Party Agreement contained certain restrictions imposed upon property subject to the Grand Jersey Redevelopment Plan, which restrictions included, but were not limited to, a covenant that JCMC only devote the property to those medical facility uses contemplated by the Facility Agreement and the Tri-Party Agreement and a restriction against the transfer, lease or sale of any property without first obtaining certification from the City that the new hospital facility and any appurtenant improvements contemplated in the Grand Jersey Redevelopment Plan, and by the Facility Agreement and Tri-Party Agreement have been completed (the "Restrictions"); and

WHEREAS, the Facility Agreement and the Tri-Party Agreement contained certain restrictions imposed upon property subject to the Grand Jersey Redevelopment Plan, which restrictions included, but were not limited to, a covenant that JCMC only devote the property to those medical facility uses contemplated by the Facility Agreement and the Tri-Party Agreement and a restriction against the transfer, lease or sale of any property without first obtaining certification from the City that the new hospital facility and any appurtenant improvements contemplated in the Grand Jersey Redevelopment Plan, and by the Facility Agreement and Tri-Party Agreement have been completed (the "Restrictions"); and

WHEREAS, the Restrictions were required to be incorporated into any deed or ground lease of any property encompassed within the Grand Jersey Redevelopment Plan to ensure the prompt and complete construction of the new hospital facility contemplated by the Facility Agreement and the Tri-Party Agreement; and

WHEREAS, the EDA acquired a parcel subject to the Grand Jersey Redevelopment Plan located at 353 Skinner Memorial Drive, Jersey City, New Jersey, identified as Block 15801, Lot 5 on the Municipal Tax Map (the "Redevelopment Parcel A"), by eminent domain and sold the property to JCMC by deed dated August 24, 2001, all in accordance with the terms and conditions of the Facility Agreement and the Tri-Party Agreement, which included incorporating and recording the Restrictions with the deed; and

WHEREAS, the new hospital facility, located on property identified as Block 14001 Lot 1 on the Municipal Tax Map, and a medical office building, located on property identified as Block 15801, Lot 6 on the Municipal Tax Map, were constructed pursuant to the Grand Jersey Redevelopment Plan, the Facility Agreement and the Tri-Party Agreement in 2002 and 2008, respectively, and both remain in operation within one campus comprising approximately 15 acres (collectively, the "Medical Center"); and

APPROVED AS TO LEGAL FORM

An Ordinance authorizing the execution of documents amending and releasing certain restrictions imposed on Block 15801, Lot 5 within the Jersey City Medical Center site to allow for its Redevelopment.

WHEREAS, pursuant to a certain redevelopment agreement entered into by JCMC's affiliate, now known as, RWJBH Corporate Services, Inc. (the "ReDeveloper"), with the JCRA in furtherance of the Grand Jersey Redevelopment Plan, dated December 14, 2014, and amended December 15, 2015, December 21, 2015, January 27, 2016, November 30, 2016, December 16, 2015, June 27, 2017, September 20, 2017, and March 18, 2025 (as amended, the "Redevelopment Agreement"), City-owned vacant land designated on the Municipal Tax Map as a portion of Block 15801, Lot 3 and adjacent Block 15801, Lot 4 was sold to the ReDeveloper in accordance with the Redevelopment Agreement for purposes of constructing a mixed-use development which will include residential, commercial, and retail uses together with associated parking; and

WHEREAS, on November 15, 2016, the City Planning Board approved the subdivision of Block 15801, Lot 3 and Block 15801, Lot 4, creating Block 15801, Lot 4.01 (the "Redevelopment Parcel B") which is required to be developed in conjunction with the Redevelopment Parcel A in accordance with the Redevelopment Agreement; and

WHEREAS, the ReDeveloper is ready and willing to begin the redevelopment of the Redevelopment Parcel A and the Redevelopment Parcel B, as a mixed-use development pursuant to the Redevelopment Agreement, however, the Redevelopment Parcel A remains under the Restrictions and in order to develop the Redevelopment Parcel A in conjunction with the Redevelopment Parcel B as contemplated by the Redevelopment Agreement, the Restrictions must be lifted; and

WHEREAS, it is in the best interests of the City to authorize the release of the Restrictions with regard to the Redevelopment Parcel A for the following reasons:

(1) The objectives of the Restrictions have been accomplished through the completion of the Medical Center contemplated thereby and in order for JCMC to continue to serve its core mission to be the premier health care destination providing patient-centered, high-quality academic medicine in a compassionate and equitable manner, and to provide hospital and certain medical care services for persons residing in the City regardless of their ability to pay for such services, JCMC is reliant on the mixed-uses permitted to be constructed partly on the Redevelopment Parcel A pursuant to the Grand Jersey Redevelopment Plan and the Redevelopment Agreement to support the continued operation of the Medical Center.

(2) The release of the Restrictions is required to enable the implementation of the Redevelopment Agreement which will assist the community in realizing economic and other public benefits including the JCMC's proposed expansion of medical services offered in the Medical Center and its expansion of charitable and community centered programs serving City neighborhoods.

(3) The release of the Restrictions will not affect any other terms or conditions of any other existing agreements or obligations that ReDeveloper or the Redevelopment Parcel A may be subject to, except as indicated herein.

(4) The Restrictions will be reaffirmed and will continue in full force and effect on the remainder of property that is subject to the Grand Jersey Redevelopment Plan, the Facility Agreement, and the Tri-Party Agreement, except as amended by other legislation, resolutions of the City or JCRA, or other agreements.

(5) The release of the Restrictions will allow the improvements contemplated by the Redevelopment Agreement to be constructed and will return the Redevelopment Parcel A to the conventional tax rolls as its assessed value will no longer be reduced by the Restrictions or its use or ownership by a non-profit entity.

NOW THEREFORE BE IT ORDAINED by the Municipal Council of the City of Jersey City as follows:

A. The City of Jersey City hereby authorizes the Mayor or Business Administrator to execute:

i. a "Release of Covenants and Restrictions", in recordable form, subject to the approval of the City's Corporate Counsel, to release the

Restrictions as to the Redevelopment Parcel A.

ii. a "Reaffirmation of Covenants and Restrictions", in recordable form, subject to the approval of the City's Corporate Counsel, to reaffirm

the Restrictions as to the property comprising the Medical Center.

iii. a "Second Amendment to the Tri-Party Agreement", subject to approval by the City's Corporation Counsel, to memorialize the aforesaid

Release of Covenants and Restrictions and Reaffirmation of Covenants and Restrictions.

iv. a "Certificate of Substantial Completion", subject to approval by the City's Corporate Counsel, to confirm the completion of the Medical

Center, in accordance with and as required by the Facility Agreement and the Tri-Party Agreement.

B. The Mayor and Business Administrator are further authorized to execute any documents appropriate or necessary to implement the purposes of this Ordinance.

C. All ordinances and parts of ordinances inconsistent herewith, including but not limited to Ordinance C-465, are hereby repealed.

An Ordinance authorizing the execution of documents amending and releasing certain restrictions imposed on Block 15801, Lot 5 within the Jersey City Medical Center site to allow for its Redevelopment.

D. This Ordinance shall be a part of the of the Jersey City Code as though codified and fully set forth herein. The City Clerk shall have this Ordinance codified and incorporated in the official copies of the Jersey City Code.

E. This Ordinance shall take effect at the time and in the manner as provided by law.

F. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

An Ordinance authorizing the execution of documents amending and releasing certain restrictions imposed on Block 15801, Lot 5 within the Jersey City Medical Center site to allow for its Redevelopment.

RECORD OF COUNCIL VOTE ON INTRODUCTION –

RIDLEY		SALEH		DEGISE		
HULINGS		SOLOMON		RIVERA		
BOGGIANO		GILMORE		WATTERMAN, PRES.		

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING –

RIDLEY		SALEH		DEGISE		
HULINGS		SOLOMON		RIVERA		
BOGGIANO		GILMORE		WATTERMAN, PRES.		

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY –

RIDLEY		SALEH		DEGISE		
HULINGS		SOLOMON		RIVERA		
BOGGIANO		GILMORE		WATTERMAN, PRES.		

RECORD OF FINAL COUNCIL VOTE –

RIDLEY		SALEH		DEGISE		
HULINGS		SOLOMON		RIVERA		
BOGGIANO		GILMORE		WATTERMAN, PRES.		

Adopted on first reading of the Council of Jersey City, N.J. on

Adopted on second and final reading after hearing on

This is to certify that the foregoing Ordinance was adopted
by the Municipal Council at its meeting on

City Clerk

Joyce E. Watterman, President of Council
Approved:

Steven M. Fulop, Mayor
Date to Mayor:
Approved:

An Ordinance authorizing the execution of documents amending and releasing certain restrictions imposed on Block 15801, Lot 5 within the Jersey City Medical Center site to allow for its Redevelopment.

FACT SHEET -

This summary sheet is to be attached to the front of any ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the ordinance.

Project Manager

Peter Horton, Assistant Business Administrator	2015475147	phorton@jcnj.org
Department	Jersey City Redevelopment Agency	
Division	Jersey City Redevelopment Agency	

Note: Project Manager must be available by phone during agenda meeting (Wednesday prior to council meeting @ 1:00 p.m.)

Meeting	Regular Meeting of Municipal Council - Sep 10 2025
---------	--

Purpose

This ordinance will authorize the release of certain restrictions imposed on Block 15801, Lot 5 within the Jersey City Medical Center Site to allow for redevelopment.

Cost (Identify all sources and amounts)

N/A

Contract term (include all)

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ATTACHMENTS:

Exhibit A to JCMC Ordinance

JERSEY CITY MEDICAL CENTER PARCELS



Block 14001, Lots 1 and 2 (also referred to as Development Block 4 in the Grand Jersey Redevelopment Plan) and Block 15801, Lot 6: Existing Jersey City Medical Center Facilities to remain subject to the Restrictions requiring the property to be devoted to medical uses.

Block 15801, Lot 5 (Referred to as "Redevelopment Parcel A" in the draft ordinance; also referred to as Development Block 8 in the Grand Jersey Redevelopment Plan): Property to be released from the Restrictions.

SECOND AMENDMENT TO TRI-PARTY AGREEMENT

This Second Amendment to Tri-Party Agreement made as of this _____ day of _____, 2025, by and among the CITY OF JERSEY CITY (the “City”), a municipality of the State of New Jersey with offices at 280 Grove Street, Jersey City, New Jersey 07302, the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (the “EDA”), an instrumentality of the State of New Jersey with offices at _____, Trenton, New Jersey 08625, and JERSEY CITY MEDICAL CENTER, INC. – formerly known as the Jersey City Health Care Corporation (the “JCMC”), a New Jersey non-profit corporation with offices at 355 Grand Street, Jersey City, New Jersey 07302, being hereafter collectively referred to as the “Parties”.

WITNESSETH:

WHEREAS, the Parties are the signatories to a Tri-Party Agreement dated October 21, 1994 (the “Tri-Party Agreement”), as amended by that certain Amendment to Tri-Party Agreement dated August 4, 1999 (the “First Amendment”), collectively the Tri-Party Agreement and the First Amendment shall be referred to as the “Amended Tri-Party Agreement”, which, *inter alia*, sets forth the respective duties and obligations undertaken by the Parties in connection with a plan to develop a new hospital facility in Jersey City;

WHEREAS, all capitalized terms used herein shall have the meanings as set forth in the Amended Tri-Party Agreement;

WHEREAS, Pursuant to a Deed (the “Deed”) dated September 24, 2001 and recorded on September 26, 2001 in the Office of the Hudson County Register in Deed Book 5873, Page 299, EDA conveyed to JCMC fee title to certain property located in the City of Jersey City. EDA conveyed the Property to JCMC subject to certain covenants, conditions and restrictions, the purpose of which was to ensure the prompt and complete construction of a new Jersey City Medical Center. These certain covenants, conditions and restrictions are contained or referenced in Schedule “B” to the Deed include but are not limited to the following: (i) the terms of (a) that certain Tri-Party Agreement dated October 21, 1994, as amended by that certain Amendment to Tri-Party Agreement dated August 4, 1999, (b) that certain Agreement between Jersey City and EDA in Furtherance of a Settlement dated April 10, 2001, and (c) that certain Restated New Facility Agreement dated October 21, 1994 (the foregoing agreements collectively referred to as the “Agreements”); (ii) the covenant that JCMC shall only devote the Property to the uses specified in the Agreements (the “Use Restriction”); and (iii) JCMC having no power to convey, lease or transfer the Property without the prior written consent of the City and EDA until the City certifies that the Improvements (as defined in the Agreements) are completed (the “Transfer Restriction”). The covenants, conditions and restrictions affecting the Property and contained or referenced in Schedule “B” to the Deed, including but not limited to the Agreements, the Use Restriction and the Transfer Restriction, are collectively referred to herein as the “Schedule “B” Restrictions.”

WHEREAS, the new Jersey City Medical Center was constructed on the Project Site and opened to the public in 2002 where it remains in operation. The property is presently identified as 355 Grand Street, Jersey City, New Jersey and more specifically identified as Block 14001 Lot 1 on the Municipal Tax Map (the “New Hospital Facility”);

WHEREAS, in 2008 a medical office building was completed on part of the remaining portion of the Project Site; the medical office building remain in operation. The property is

presently identified as 377 Skinner Memorial Drive, Jersey City, New Jersey and more specifically referred to as Block 15801 Lot 6 on the Municipal Tax Map (the “MOB”);

WHEREAS, the Parties acknowledge that the objectives in the Amended Tri-Party Agreement have been accomplished through the completion of the New Hospital Facility and MOB, and that in order for JCMC to continue to serve its core mission to be the premier health care destination providing patient-centered, high-quality academic medicine in a compassionate and equitable manner, and to provide hospital and certain medical care services for persons residing in the City of Jersey City regardless of their ability to pay for such services, the portion of the Project Site presently identified as 353 Skinner Memorial Drive, Jersey City, New Jersey and more specifically referred to as Block 15801 Lot 5 on the Municipal Tax Map may be developed with mixed-uses to support the continued operation of the New Hospital Facility.

NOW THEREFORE, the Parties agree to this Second Amendment to Tri-Party Agreement as follows:

1. Section 10 of the Tri-Party Agreement shall be amended to acknowledge that the properties on which the New Hospital Facility and MOB have been constructed – identified as: (i) 355 Grand Street, Jersey City, New Jersey and more specifically identified as Block 14001 Lot 1 on the Municipal Tax Map; and (ii) 377 Skinner Memorial Drive, Jersey City, New Jersey and more specifically referred to as Block 15801 Lot 6 on the Municipal Tax Map – are subject to the Schedule B Restrictions. Concurrently with the execution of this Second Amendment to Tri-Party Agreement, the Parties will execute the Reaffirmation of Covenants and Restrictions, the form of which is attached hereto as Exhibit A.
2. Section 10 of the Tri-Party Agreement shall be further amended to provide that as a result of the terms and conditions of the Agreements and the Schedule B Restrictions having been satisfied, the portion of the Project Site presently identified as 353 Skinner Memorial Drive, Jersey City, New Jersey and more specifically referred to as Block 15801 Lot 5 on the Municipal Tax Map, shall be released from the Schedule B Restrictions. Concurrently with the execution of this Second Amendment to Tri-Party Agreement, the Parties will execute the Release of Covenants and Restrictions, the form of which is attached hereto as Exhibit B.
3. Pursuant to Sec.14 of the Tri-Party Agreement, concurrently with the execution of this Second Amendment to Tri-Party Agreement, JCMC will submit to the City a Certificate of Substantial Completion, the form of which is attached hereto as Exhibit C.
4. The Tri-Party Agreement, as previously amended and as modified by this Second Amendment, is ratified, and affirmed by all parties.
5. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument.

6. If any provision of this Agreement shall be determined to be invalid or unenforceable by a court of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement, all of which shall remain in full force and effect.
7. This Agreement shall be governed by and construed in accordance with the Applicable Laws of the State of New Jersey.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the City of Jersey City, the New Jersey Economic Development Authority and RWJBH Corporate Services, Inc., as successor in interest to Jersey City Medical Center, have each caused this Second Amendment to Tri-Party Agreement to be duly executed in its name and behalf as of the date first above written.

WITNESS

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, an instrumentality of the State of New Jersey

Name: _____

By: _____

Name: _____

Title: _____

WITNESS

THE CITY OF JERSEY CITY, a municipal corporation of the State of New Jersey

Name: _____

By: _____

Name: _____

Title: _____

WITNESS

JERSEY CITY MEDICAL CENTER, INC., a non-profit corporation of the State of New Jersey

Name: _____

By: _____

Name: _____

Title: _____

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Release and acknowledged to me that he/she executed this Release in his/her capacity as _____ of the New Jersey Economic Development Authority, and that by his/her signature on this Release, the New Jersey Economic Development Authority executed and delivered this Release as the voluntary act and deed of the New Jersey Economic Development Authority.

Notary Public

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Release and acknowledged to me that he/she executed this Release in his/her capacity as _____ of the City of Jersey City, and that by his/her signature on this Release, the City of Jersey City executed and delivered this Release as the voluntary act and deed of the City of Jersey City.

Notary Public

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Release and acknowledged to me that he/she executed this Release in his/her capacity as _____ of Jersey City Medical Center, and that by his/her signature on this Release, Jersey City Medical Center executed and delivered this Release as the voluntary act and deed of the Jersey City Medical Center.

Notary Public

REAFFIRMATION OF COVENANTS AND RESTRICTIONS

THIS REAFFIRMATION OF COVENANTS AND RESTRICTIONS (this “Reaffirmation”) is made as of the _____ day of _____, 2025 (the “Effective Date”), by and among **THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**, an instrumentality of the State of New Jersey (“NJEDA”), having an address of 36 West State Street, Trenton, New Jersey 08608, **THE CITY OF JERSEY CITY**, a municipal corporation (the “City”), having an address of 280 Grove Street, Jersey City, New Jersey 07302, and **JERSEY CITY MEDICAL CENTER, INC.**, a New Jersey non-profit corporation (“JCMC”), having an address of 355 Grand Street, Jersey City, New Jersey 07302.

background:

1. Pursuant to a Deed (the “Deed”) dated September 24, 2001 and recorded on September 26, 2001 in the Office of the Hudson County Register in Deed Book 5873, Page 299, NJEDA conveyed to JCMC fee title to certain property located in the City of Jersey City and more particularly described on Exhibit A attached to this Reaffirmation and made a part hereof (the “Property”), with such Property including certain real property now designated on the tax map of the City of Jersey City as Block 14001 Lot 1, and Block 15801, Lot 6.
2. NJEDA conveyed the Property to JCMC subject to certain covenants, conditions and restrictions, the purpose of which was to ensure the prompt and complete construction of the Improvements on the Property, which specifically include a new Jersey City Medical Center Facility and medical office building.
3. These certain covenants, conditions and restrictions are contained or referenced in Schedule “B” to the Deed, a copy of which is attached as Exhibit B to this Reaffirmation, and include but are not limited to the following: (i) the terms of (a) that certain Tri-Party Agreement dated October 21, 1994, as amended by that certain Amendment to Tri-Party Agreement dated August 4, 1999, (b) that certain Agreement between Jersey City and EDA in Furtherance of a Settlement dated April 10, 2001, and (c) that certain Restated New Facility Agreement dated October 21, 1994 (the foregoing agreements collectively referred to as the “Agreements”); (ii) the covenant that JCMC shall devote the Property only to the uses specified in the Agreements (the “Use Restriction”); and (iii) JCMC having no power to convey, lease or transfer the Property without the prior written consent of the City and NJEDA until the City certifies that the Improvements (as defined in the Agreements) are completed (the “Transfer Restriction”). The covenants, conditions and restrictions affecting the Property and contained or referenced in Schedule “B” to the Deed, including but not limited to the Agreements, the Use Restriction and the Transfer Restriction, are collectively referred to herein as the “Schedule “B” Restrictions.”
4. The construction of the Improvements have been completed and JCMC obtained final site plan approval for such Improvements. Notwithstanding, in order to serve its core mission to be the premier health care destination providing patient-centered, high-quality academic medicine in a compassionate and equitable manner, and to provide hospital and certain medical care services for persons residing in the City of Jersey City regardless of their ability to pay for such services, JCMC agrees to abide by the Schedule “B”

Restrictions.

NOW THEREFORE, in consideration of the completion of the Improvements, the terms set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Reaffirmation represent, warrant, covenant and agree as follows:

A. **Recitals.** The background paragraphs set forth above are hereby incorporated into this Reaffirmation as if set forth at length herein.

Reaffirmation of Schedule “B” Restrictions. The parties to this reaffirmation hereby acknowledge and agree that the Schedule “B” Restrictions shall run with the land as defined herein, and this Reaffirmation is binding on all successors in interest to the Property.

B. **EstoppeL.** The parties to this Reaffirmation hereby represent and warrant that all of the terms and conditions of the Agreements and the Schedule “B” Restrictions are, as of the Effective Date of this Agreement, in full force and effect, and that there are no defaults under the Agreements or the Schedule “B” Restrictions, that no event or condition exists that would be a default under the Agreements or the Schedule “B” Restrictions if notice had been given or the applicable grace or cure periods had expired or both, that the Agreements and the Schedule “B” Restrictions are the only agreements between one or all of the parties hereto affecting the Property, that the Agreements and the Schedule “B” Restrictions have not been modified, amended or altered since the date of the Deed.,

C. **Representations and Warranties.** The parties to this Reaffirmation agree that: (i) they have the legal right and authority to enter into this Reaffirmation; (ii) their execution and delivery of this Reaffirmation will not conflict with or violate any commitment, agreement or understanding that they have entered into; (iii) they have adequate information regarding all matters encompassed by this Reaffirmation to make an informed and knowledgeable decision to enter into this Reaffirmation and have independently made their own analysis and decision to enter into this Reaffirmation after consultation with their own counsel; (iv) they are not relying on any representation or warranty of any party to this Reaffirmation or any other party or parties, express or implied, in entering into this Release; and (v) this Release is binding on them and enforceable in accordance with its terms.

D. **Recordation.** A counterpart original of this Reaffirmation shall be recorded in the official land records of the County Register of Hudson County, New Jersey.

E. **Counterparts.** This Reaffirmation may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Reaffirmation may be executed in several counterparts, each of which shall be deemed an original instrument and all of which together shall constitute a single agreement. The failure of any party hereto to execute this Reaffirmation, or any counterpart hereof, shall not relieve the other signatories from their agreements hereunder.

F. **Miscellaneous.** No modification of any of the terms and conditions of this Reaffirmation may be made except by a written instrument signed by all of the parties to this Reaffirmation. If any provision of this Reaffirmation is deemed to be invalid or unenforceable by a court of competent jurisdiction, the rest and remainder of the Reaffirmation shall continue in full force and effect. This Reaffirmation shall be governed, construed, applied and enforced in accordance with the laws of the State of New Jersey and the applicable laws of the United States of America without giving effect to principles of conflicts of laws.

[Signature Pages Follow]

INTENDING TO BE LEGALLY BOUND, this Reaffirmation has been executed and legally delivered by the parties to this Reaffirmation and is effective as of the Effective Date.

WITNESS

Name: _____

**NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY**, an instrumentality of the State of New Jersey

By: _____
Name: _____
Title: _____

WITNESS

Name: _____

THE CITY OF JERSEY CITY, a municipal corporation of the State of New Jersey

By: _____
Name: _____
Title: _____

WITNESS

Name: _____

JERSEY CITY MEDICAL CENTER, INC.,
a non-profit corporation of the State of New Jersey

By: _____
Name: _____
Title: _____

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Reaffirmation and acknowledged to me that he/she executed this Reaffirmation in his/her capacity as _____ of the New Jersey Economic Development Authority, and that by his/her signature on this Reaffirmation, the New Jersey Economic Development Authority executed and delivered this Reaffirmation as the voluntary act and deed of the New Jersey Economic Development Authority.

Notary Public

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Reaffirmation and acknowledged to me that he/she executed this Reaffirmation in his/her capacity as _____ of the City of Jersey City, and that by his/her signature on this Reaffirmation, the City of Jersey City executed and delivered this Reaffirmation as the voluntary act and deed of the City of Jersey City.

Notary Public

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Reaffirmation and acknowledged to me that he/she executed this Reaffirmation in his/her capacity as _____ of Jersey City Medical Center, Inc., and that by his/her signature on this Reaffirmation, Jersey City Medical Center, Inc. executed and delivered this Reaffirmation as the voluntary act and deed of the Jersey City Medical Center, Inc.

Notary Public

EXHIBIT A

(see legal description of the Property attached)

EXHIBIT B

(see copy of Schedule "B" to the Deed attached)

RELEASE OF COVENANTS AND RESTRICTIONS

THIS RELEASE OF COVENANTS AND RESTRICTIONS (this “Release”) is made as of the _____ day of _____, 2025 (the “Effective Date”), by and among **THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**, an instrumentality of the State of New Jersey (“NJEDA”), having an address of 36 West State Street, Trenton, New Jersey 08608, **THE CITY OF JERSEY CITY**, a municipal corporation (the “City”), having an address of 280 Grove Street, Jersey City, New Jersey 07302, and **JERSEY CITY MEDICAL CENTER, INC.**, a New Jersey non-profit corporation (“JCMC”), having an address of 355 Grand Street, Jersey City, New Jersey 07302.

background:

5. Pursuant to a Deed (the “Deed”) dated September 24, 2001 and recorded on September 26, 2001 in the Office of the Hudson County Register in Deed Book 5873, Page 299, NJEDA conveyed to JCMC fee title to certain property located in the City of Jersey City and more particularly described on Exhibit A attached to this Release and made a part hereof (the “Property”), with such Property including certain real property located along the southbound side of Jersey Avenue, designated on the tax map of the City of Jersey City as Block 15801, Lot 5.
6. NJEDA conveyed the Property to JCMC subject to certain covenants, conditions and restrictions, the purpose of which was to ensure the prompt and complete construction of the Improvements on the Property, which specifically include a new Jersey City Medical Center Facility and medical office building.
7. These certain covenants, conditions and restrictions are contained or referenced in Schedule “B” to the Deed, a copy of which is attached as Exhibit B to this Release, and include but are not limited to the following: (i) the terms of (a) that certain Tri-Party Agreement dated October 21, 1994, as amended by that certain Amendment to Tri-Party Agreement dated August 4, 1999, (b) that certain Agreement between Jersey City and EDA in Furtherance of a Settlement dated April 10, 2001, and (c) that certain Restated New Facility Agreement dated October 21, 1994 (the foregoing agreements collectively referred to as the “Agreements”); (ii) the covenant that JCMC shall devote the Property only to the uses specified in the Agreements (the “Use Restriction”); and (iii) JCMC having no power to convey, lease or transfer the Property without the prior written consent of the City and NJEDA until the City certifies that the Improvements (as defined in the Agreements) are completed (the “Transfer Restriction”). The covenants, conditions and restrictions affecting the Property and contained or referenced in Schedule “B” to the Deed, including but not limited to the Agreements, the Use Restriction and the Transfer Restriction, are collectively referred to herein as the “Schedule “B” Restrictions.”
8. The construction of the Improvements has been completed and JCMC obtained final site plan approval from the City for such Improvements. Therefore the parties to this Release acknowledge and agree, that the Schedule “B” Restrictions no longer serve any purpose and the parties now seek to release and discharge of record the Schedule “B”

Restrictions, pursuant to the terms and conditions of this Release.

9. E. The City has expressly required NJEDA to release the Schedule B Restrictions and all covenants in the Agreements relating to NJEDA. The City and JCMC fully release NJEDA of all of its obligations contained in the Agreements including but not limited to Section 10 of the Tri-Party Agreement dated October 21, 1994.

NOW THEREFORE, in consideration of the completion of the Improvements, the terms set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Release represent, warrant, covenant and agree as follows:

- A. **Recitals.** The background paragraphs set forth above are hereby incorporated into this Release as if set forth at length herein.
- B. **Release of Schedule “B” Restrictions.** The parties to this Release hereby acknowledge and agree that the Improvements were completed in accordance with the Agreements and that JCMC obtained final site plan approval for such Improvements in accordance with the terms of the Agreements. As of the Effective Date, the Property is hereby released from the Schedule “B” Restrictions, and the Schedule “B” Restrictions are no longer of any force or effect. Simultaneously with the recording of this Release, the Schedule “B” Restrictions shall be discharged of record with respect to the Property.
- C. **EstoppeL.** The parties to this Release hereby represent and warrant that all of the terms and conditions of the Agreements and the Schedule “B” Restrictions have been satisfied, that as of the Effective Date there are no defaults under the Agreements or the Schedule “B” Restrictions, that no event or condition exists that would be a default under the Agreements or the Schedule “B” Restrictions if notice had been given or the applicable grace or cure periods had expired or both, that the Agreements and the Schedule “B” Restrictions are the only agreements between one or all of the parties hereto affecting the Property, that the Agreements and the Schedule “B” Restrictions have not been modified, amended or altered since the date of the Deed, and that no additional consents or approvals are required from any third party or other government agency to release and discharge the Schedule “B” Restrictions, other than consent of the parties to this Release.
- D. **JCMC acknowledges and agrees to release, discharge, indemnify, defend and hold NJEDA and its directors, officers, employees, representatives, and agents harmless from and against any cause of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, and liabilities of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent, arising out of or relating in any way to the Schedule B Restrictions.**
- E. **Representations and Warranties.** The parties to this Release agree that: (i) they have the legal right and authority to enter into this Release; (ii) their execution

and delivery of this Release will not conflict with or violate any commitment, agreement or understanding that they have entered into; (iii) they have adequate information regarding all matters encompassed by this Release to make an informed and knowledgeable decision to enter into this Release and have independently made their own analysis and decision to enter into this Release after consultation with their own counsel; (iv) they are not relying on any representation or warranty of any party to this Release or any other party or parties, express or implied, in entering into this Release; and (v) this Release is binding on them and enforceable in accordance with its terms.

- F. **Recordation.** A counterpart original of this Release shall be recorded in the official land records of the County Register of Hudson County, New Jersey.
- G. **Counterparts.** This Release may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Release may be executed in several counterparts, each of which shall be deemed an original instrument and all of which together shall constitute a single agreement. The failure of any party hereto to execute this Release, or any counterpart hereof, shall not relieve the other signatories from their agreements hereunder.
- H. **Miscellaneous.** No modification of any of the terms and conditions of this Release may be made except by a written instrument signed by all of the parties to this Release. If any provision of this Release is deemed to be invalid or unenforceable by a court of competent jurisdiction, the rest and remainder of the Release shall continue in full force and effect. This Release shall be governed, construed, applied and enforced in accordance with the laws of the State of New Jersey and the applicable laws of the United States of America without giving effect to principles of conflicts of laws.

[Signature Pages Follow]

INTENDING TO BE LEGALLY BOUND, this Release has been executed and legally delivered by the parties to this Release and is effective as of the Effective Date.

WITNESS

Name: _____

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, an instrumentality of the State of New Jersey

By: _____
Name: _____
Title: _____

WITNESS

THE CITY OF JERSEY CITY, a municipal corporation of the State of New Jersey

Name: _____

By: _____
Name: _____
Title: _____

WITNESS

JERSEY CITY MEDICAL CENTER, INC.,
a non-profit corporation of the State of New Jersey

Name: _____

By: _____
Name: _____
Title: _____

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Release and acknowledged to me that he/she executed this Release in his/her capacity as _____ of the New Jersey Economic Development Authority, and that by his/her signature on this Release, the New Jersey Economic Development Authority executed and delivered this Release as the voluntary act and deed of the New Jersey Economic Development Authority.

Notary Public

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Release and acknowledged to me that he/she executed this Release in his/her capacity as _____ of the City of Jersey City, and that by his/her signature on this Release, the City of Jersey City executed and delivered this Release as the voluntary act and deed of the City of Jersey City.

Notary Public

STATE OF NEW JERSEY)
) ss.:
COUNTY OF _____)

On the _____ day of _____, 2025, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this Release and acknowledged to me that he/she executed this Release in his/her capacity as _____ of Jersey City Medical Center, Inc., and that by his/her signature on this Release, Jersey City Medical Center, Inc. executed and delivered this Release as the voluntary act and deed of the Jersey City Medical Center, Inc.

Notary Public

EXHIBIT A

(see legal description of the Property attached)

EXHIBIT B

(see copy of Schedule "B" to the Deed attached)



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: December 15, 2025

RE: Purchase of Portions the Former Riverfront State Prison Site (“Property”)
Portions of Block 79, Lot 13, Camden County, Camden City
PROD-00257937

Request

I request the Members approve, consistent with P.L. 2025, c. 30, the following:

1. The purchase price of \$1,035,000 (“Appraised Value”), based on the appraised value as of March 2025 for two development parcels (“Development Parcels”) within the Property as shown in Exhibit C attached to this memo;
2. Execution of the Interdepartmental Agreement with the Department of Treasury, Division of Property Management and Construction (“DPMC”), for the Development Parcels for \$1,035,000 (Exhibit A);
3. The acceptance of deed to a portion of Block 34.01, Lots 1 & 1.01 (see Exhibit C) from the City of Camden (“City”), that will be incorporated into the existing Development Parcels within the Property.
4. Execution of the Interdepartmental Agreement with the City of Camden (“Camden”), for a portion of Block 34.01, Lots 1 & 1.01 for \$1.00 (Exhibit B).

Background

In April 2009, the Members approved the Memorandum of Understanding with DPMC, executed in May 2009 (“May 2009 MOU”), to assist in the planning and the demolition of the former Riverfront State Prison (“Prison”). DPMC requested that the Authority assist in disposing of the Prison in a manner that would lead to redevelopment for uses that better suit the surrounding area.

EDA retained an engineering firm to prepare demolition specifications for the Prison. After receiving Treasury funding, Real Estate staff issued a bid package, the Members approved the selected contractor [September 2009] and completed the remediation and demolition.

The April 2009 Board memo also provided the following: "Upon completion of demolition, [EDA] anticipate[s] that the State will seek to sell the property for redevelopment by the private sector, with the goal of creating jobs and tax ratables for the City of Camden. DPMC contemplates accomplishing this objective through a public request for proposals process managed by the Authority. In the event DPMC opts to pursue this approach, [staff] will present the Members an amendment to [the May 2009 MOU] at a future meeting."

In May 2013, the Members approved the June 2013 MOU between EDA and DPMC which outlined NJEDA's role to sell the Property. DPMC requested that EDA manage the sale of the Property to a redeveloper, subject to the approval of the State Treasurer, EDA Board Members, and the State House Commission. P.L. 2013, c.22 declared the Property surplus and memorialized the responsibility of EDA to dispose of the Property under the approved State House disposition procedures. In 2016 and again in 2019, EDA issued a request for qualifications to purchase the Property. No qualification submittals were received.

In March 2025, the legislature repealed P.L. 2013, c. 22, and passed P.L. 2025, c.30. The act requires the following:

1. Treasury convey the Development Parcels to EDA for the lesser of \$5 million or the actual appraised value at the time of the sale and conveyance,
2. Treasury convey, for \$1.00, two lots including the park and partially completed right of way on the Property to the City,
3. The City convey to EDA a portion of land that will complete one of the Development Parcels within the Prison Site. The conveyance from the City to EDA is in consideration of receiving the two lots which include the park and partially completed right of way from Treasury.

Property Acquisition

The proposed acquisition consists of four contiguous lots situated in the City of Camden. Two of these lots, referred to as **Property 1** (Block 34.01, Lots 1 and 1.01), encompasses approximately .660 acres and is being deeded to the New Jersey Economic Development Authority by the City of Camden for a nominal consideration of \$1.00. The NJEDA's acceptance of the deed to this property will consolidate ownership and facilitate coordinated planning for future development.

In addition, DPMC will deed to NJEDA two subdivided parcels, referred to as **Property 2** (designated as Lots B and D, part of Block 79, Lot 13), comprising a portion of the former Prison Site located at the northwest corner of Delaware Avenue and Elm Street in the City of Camden, for the appraised value of \$1,035,000. The parent lot (Block 79, Lot 13) will be subdivided into four components (A, B, C, and D), with Parcels B and D (totaling approximately 8.691 acres) being conveyed to NJEDA by DPMC without the need for approval by the State House

Commission or further legislative action. The balance of the former Prison Site, approximately 15.15 acres, including roughly 9 acres of land currently or formerly under water and associated riparian and littoral rights subject to natural boundary changes, will be conveyed by DPMC to the City of Camden.

Together, the four contiguous lots, the two City-owned parcels along with Parcels B and D, the Development Parcel, will be assembled under NJEDA ownership and marketed through a future Request for Proposal process to support redevelopment consistent with the strategic objectives of the Property. This consolidation will create a larger, more cohesive redevelopment site, enhancing its overall value and attractiveness to prospective developers for future redevelopment opportunities.

As part of the demolition of the former Riverfront State Prison, the Property has a Restricted-Use with Permit Requirements Response Action Outcome (“RAO”) requiring the site to remain capped. The RAO was issued in 2018 and amended in 2019.

Funding

The purchase price will be funded from the Authority’s Retained Earnings.

Recommendation

I request the Members approve, consistent with P.L. 2025, c. 30, the following:

1. The purchase, from the DPMC, of the Development Parcels within the Property, as shown in Exhibit C attached to this memo, for \$1,035,000
2. The acceptance of deed to a portion of Block 34, Lots 1 & 1.01 (see Exhibit C) from the City, that will be incorporated into the existing Development Parcels within the Property. Execution of Interdepartmental Transfer Agreements with DPMC (Exhibit A) and the City of Camden (Exhibit B) to convey the Development Parcels and Lots 1 & 1.01 to NJEDA.



Tim Sullivan, CEO

Prepared by: Matheus De Farias, Project Officer

Attachments:

Exhibit A – Interdepartmental Transfer Agreement (DMPC)

Exhibit B – Interdepartmental Transfer Agreement (City)

Exhibit C – Camden Parcels Map 

Exhibit D – P.L. 2025, Chapter 30

**INTERDEPARTMENTAL AGREEMENT
BETWEEN THE DEPARTMENT OF TREASURY
AND
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

THIS AGREEMENT is entered into by and between the Department of the Treasury, acting on behalf of the Division of Property Management and Construction (“DPMC”), located at PO Box 229, Trenton, New Jersey 08625; and THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (“NJEDA”), located at PO Box 990, Trenton, NJ 08625 (collectively the “Parties”).

WHEREAS, DPMC is the owner in fee simple and has been in possession of property located at Block 79, Lot 13 on the tax map of the City of Camden, County of Camden, New Jersey, which consists of 25.86 +- acres of land and improvements (collectively “the Property”) as depicted on Exhibit C attached hereto and made part of; and

WHEREAS, in March 2025, the Legislature passed PL 2025, c.30 as outlined in Exhibit D, which required Treasury to convey a 8.691 +- acre development parcel of the Property to NJEDA for a consideration of \$5,000,000.00, or appraised value at the time of the sale and conveyance, whichever is less. Wade Appraisals, LLC valued the property as of March 23, 2025 for the amount of \$1,035,000.00. DPMC is not currently using the Property and, in accordance with PL 2025 c. 30, will convey the Property to NJEDA for the mutually agreed upon appraised value of \$1,035,000.00.

NOW, THEREFORE, in consideration of the mutual covenants, terms conditions, promises and obligations contained herein, which the Parties acknowledge to be good and sufficient consideration to support this and bind and obligate the Parties hereto, this transfer is made subject to the following terms and conditions:

1. Transfer. This Agreement shall be construed to effectuate the sale and conveyance of the 8.691 +- acre development parcels of the Property to NJEDA in fee simple for the appraised value of \$1,035,000.00 and shall be so noted by DPMC and reflected in the Statewide Land and Building Management System (LBAM).

2. Maintenance of the Property. NJEDA accepts the sale and conveyance, by fee simple, and all ownership rights including but not limited to complete responsibility for the maintenance, repair and operation solely of the 8.691+- acre development parcels and for payment of any utility costs incurred in the use and operation thereof.

3. Authority. By execution of this Agreement, the Parties represent that they are duly authorized and empowered to enter into this and to perform all duties and responsibilities established in this.

4. Execution in Counterparts. This Agreement may be executed in counterparts, each of which when so executed shall be an original, and all of such counterparts shall together constitute but one and the same instrument.

5. Electronic Signatures. Electronic signature of this Agreement shall be deemed to be valid execution and delivery as though an original ink. The parties explicitly consent to the electronic delivery of the terms of the transaction evidenced by this Agreement and affirm that their electronic signatures indicate a present intent to be bound by the electronic signatures and the terms of the Agreement. The electronic signature can be done either by ADOBE Acrobat or any other similar signature software that can be used for electronic signatures or by printing, manually signing, and scanning.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their
duly authorized officers on this _____ day of _____ 2025.

ATTEST	NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
Cathleen A. Hamilton	Juan Burgos
Program Manager	Vice President of Real Estate Development, Construction and Infrastructure
Date:	Date:
ATTEST	DEPARTMENT OF TREASURY DIVISION OF PROPERTY MANAGEMENT AND CONSTRUCTION
Print Name	Thomas A. Edenbaum
Print Title	Director of Division of Property Management and Construction
Date:	Date:

APPROVED AS TO FORM:

Matthew J. Platkin
Attorney General of New Jersey

BY: _____
, Deputy Attorney General

**INTERDEPARTMENTAL AGREEMENT
BETWEEN THE CITY OF CAMDEN
AND
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

THIS AGREEMENT is entered into by and between the City of Camden (“City”), located at 520 Market Street, Camden, New Jersey 08102; and THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (“NJEDA”), located at PO Box 990, Trenton, NJ 08625 (collectively, the “Parties”).

WHEREAS, the City is the owner in fee simple and has been in possession of property located at Block 34.01, Lots 1 and 1.01 on the tax map of the City of Camden, County of Camden, New Jersey, which consists of approximately .660 acres of land and improvements (collectively “the Property”) as depicted on Exhibit A attached hereto and made part of; and

WHEREAS, in March 2025, the Legislature passed PL 2025, c.30 as outlined in Exhibit B, which required the City to convey Block 34.01, Lots 1 and 1.01 to NJEDA for nominal consideration. The City, in accordance with PL 2025 c. 30, will convey the Property to NJEDA.

NOW, THEREFORE, in consideration of the mutual covenants, terms conditions, promises and obligations contained herein, which the Parties acknowledge to be good and sufficient consideration to support this and bind and obligate the Parties hereto, this transfer is made subject to the following terms and conditions:

1. Transfer. The City shall convey the Property to NJEDA in fee simple for consideration of \$1.00 in accordance with P.L. 2005 c.30.

2. Maintenance of the Property. NJEDA accepts the conveyance, by fee simple, and all ownership rights including but not limited to complete responsibility for the maintenance, repair and operation solely of the Property and for payment of any utility costs incurred in the use and operation thereof.

3. Authority. By execution of this Agreement, the Parties represent that they are duly authorized and empowered to enter into this and to perform all duties and responsibilities established in this.

4. Execution in Counterparts. This Agreement may be executed in counterparts, each of which when so executed shall be an original, and all of such counterparts shall together constitute but one and the same instrument.

5. Electronic Signatures. Electronic signature of this Agreement shall be deemed to be valid execution and delivery as though an original ink. The parties explicitly consent to the electronic delivery of the terms of the transaction evidenced by this Agreement and affirm that their electronic signatures indicate a present intent to be bound by the electronic signatures and the terms of the Agreement. The electronic signature can be done either by ADOBE Acrobat or any other similar signature software that can be used for electronic signatures or by printing, manually signing, and scanning.

IN WITNESS WHEREOF, the Parties have caused these presents to be executed by their duly authorized officers on this _____ day of _____ 2025.

ATTEST	NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
Cathleen A. Hamilton	Juan Burgos
Program Manager	Vice President of Real Estate Development, Construction and Infrastructure
Date:	Date:
ATTEST	CITY OF CAMDEN
Print Name	
Print Title	
Date:	Date:

NOTES:

1. THIS SURVEY WAS PREPARED WITH THE BENEFIT OF A TITLE REPORT FROM TWO RIVERS TITLE COMPANY, LLC, ISSUING FILE NUMBER: TRT2533512, WITH A COMMITMENT DATE OF AUGUST 22, 2025.
2. THIS SURVEY WAS PREPARED IN ACCORDANCE WITH THE FOLLOWING SOURCES OF INFORMATION

 - A - DEEDS OF RECORD
 - B - AN ACTUAL FIELD SURVEY PERFORMED BY PENNONI ASSOCIATES
 - C - BY GRAPHIC PLOTTING ONLY, PORTIONS OF SUBJECT PARCEL AREA ARE LOCATED IN:
 - ZONE X SHADED (AREAS OF 0.2% ANNUAL CHANCE FLOOD; AREAS OF 1% ANNUAL CHANCE FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH DRAINAGE AREAS LESS THAN 1 SQUARE MILE; AND AREAS PROTECTED BY LEVEES FROM 1% ANNUAL CHANCE FLOOD)
 - OF THE FLOOD INSURANCE RATE MAP NO. 34007C0009F, WHICH BEARS AN EFFECTIVE DATE OF AUGUST 17, 2016.

NO FIELD SURVEYING WAS PERFORMED TO DETERMINE THIS ZONE AND AN ELEVATION CERTIFICATE MAY BE NEEDED TO VERIFY THIS DETERMINATION OR APPLY FOR A VARIANCE FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY. FLOODPLAIN ZONING LINES SHOWN HEREON ARE FOR GRAPHICAL REFERENCE ONLY AND NOT BASED ON FIELD SURVEY. FLOOD PLAIN BASE ELEVATIONS SHOWN HEREON ARE BASED ON SAID FLOOD INSURANCE RATE MAP NUMBER. BASE FLOOD ELEVATION VALUE REFERENCED TO THE NORTH AMERICAN VERTICAL DATUM 1988 (NAVD 88).

9. THIS PLAN HAS BEEN DIGITALLY SIGNED IN ACCORDANCE WITH N.J.A.C. 13:40-8.1A AND THUS CARRIES THE SAME WEIGHT, AUTHORITY AND EFFECT AS A HANDWRITTEN SIGNATURE AND IMPRESSION-TYPE SEAL.

10. THE LOCATION OF UNDERGROUND UTILITIES ARE APPROXIMATE. ALL LOCATIONS ILLUSTRATED ARE BASED UPON UTILITY MARKOUT AND ABOVE GROUND STRUCTURES THAT WERE VISIBLE & ACCESSIBLE IN THE FIELD. THE STATE OF NEW JERSEY REQUIRES NOTIFICATION PRIOR TO ANY EXCAVATION BY UTILIZING THE NEW JERSEY ONE-CALL SYSTEM (1-800-272-1000).

11. THE WORD CERTIFIES (CERTIFY) IN THE CONTEXT OF THE CERTIFICATION ON THIS PLAN SHALL BE DEFINED AS A RENDERING OF A PROFESSIONAL OPINION BASED ON THE FACTS AND INFORMATION AVAILABLE TO THE SIGNATORY AT THE TIME OF MAKING THIS SURVEY.

VARIANCES REQUESTED

1. THE APPLICANT REQUESTS A VARIANCE TO ALLOW LOT "A" TO HAVE A WIDTH OF 26.61 FEET WHERE 200 FEET IS REQUIRED.
2. THE APPLICANT REQUESTS A VARIANCE TO ALLOW LOT "B" TO HAVE A WIDTH OF 119.03 FEET WHERE 200 FEET IS REQUIRED.

AREA TABULATION

EXISTING	BLOCK 79, LOT 1	2.335 AC.	PROPOSED	PARCEL A	13.442 AC
	BLOCK 79, LOT 1	0.335 AC.	PARCEL B	2.151 AC	
	BLOCK 34-01, LOT 1.01	0.073 AC	PARCEL C	6.540 AC	
	VACATED DELAWARE AVE	0.436 AC	ROW	2.097 AC	
	TOTAL	24.230 AC.	TOTAL	24.230 AC.	



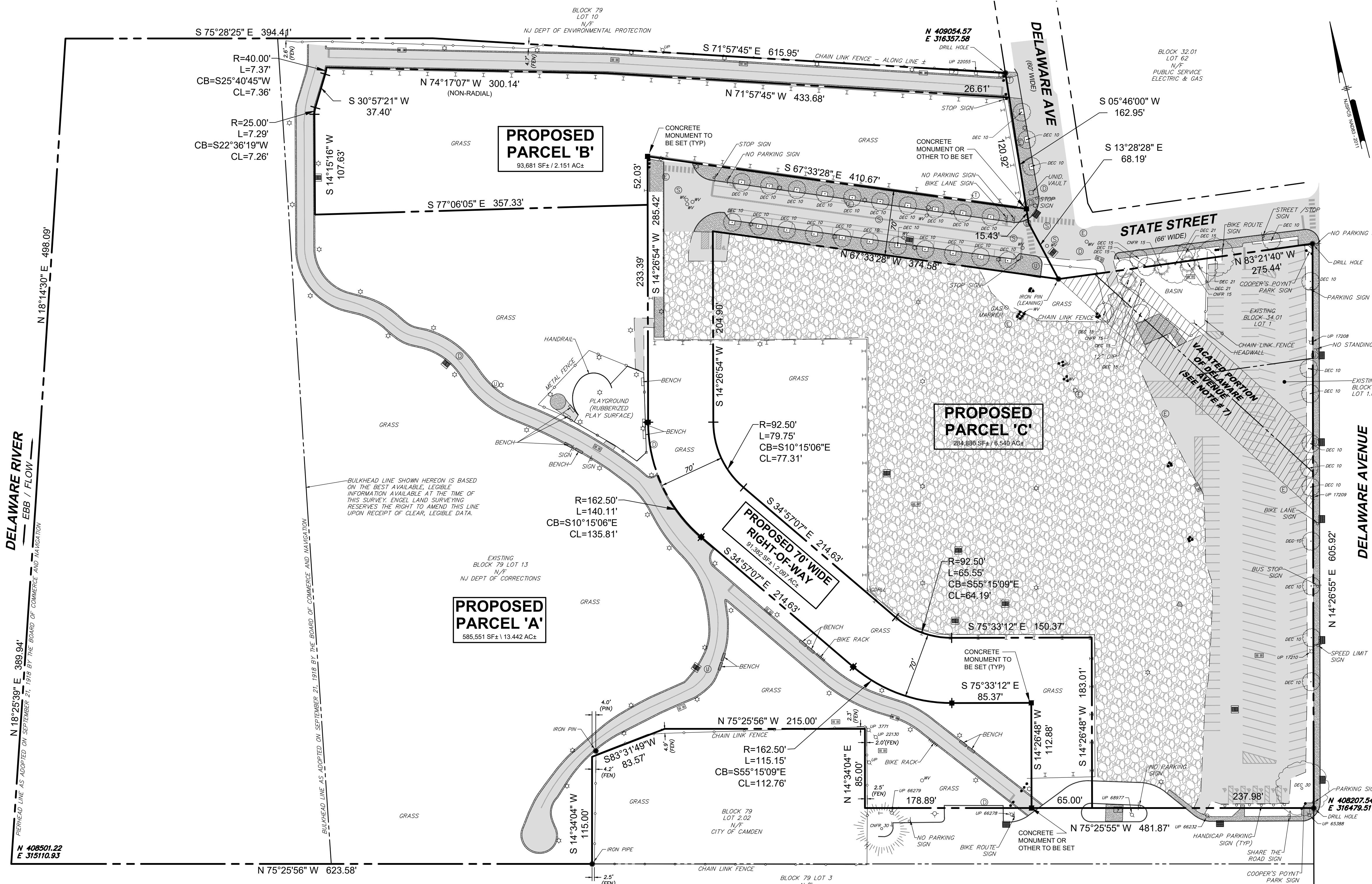
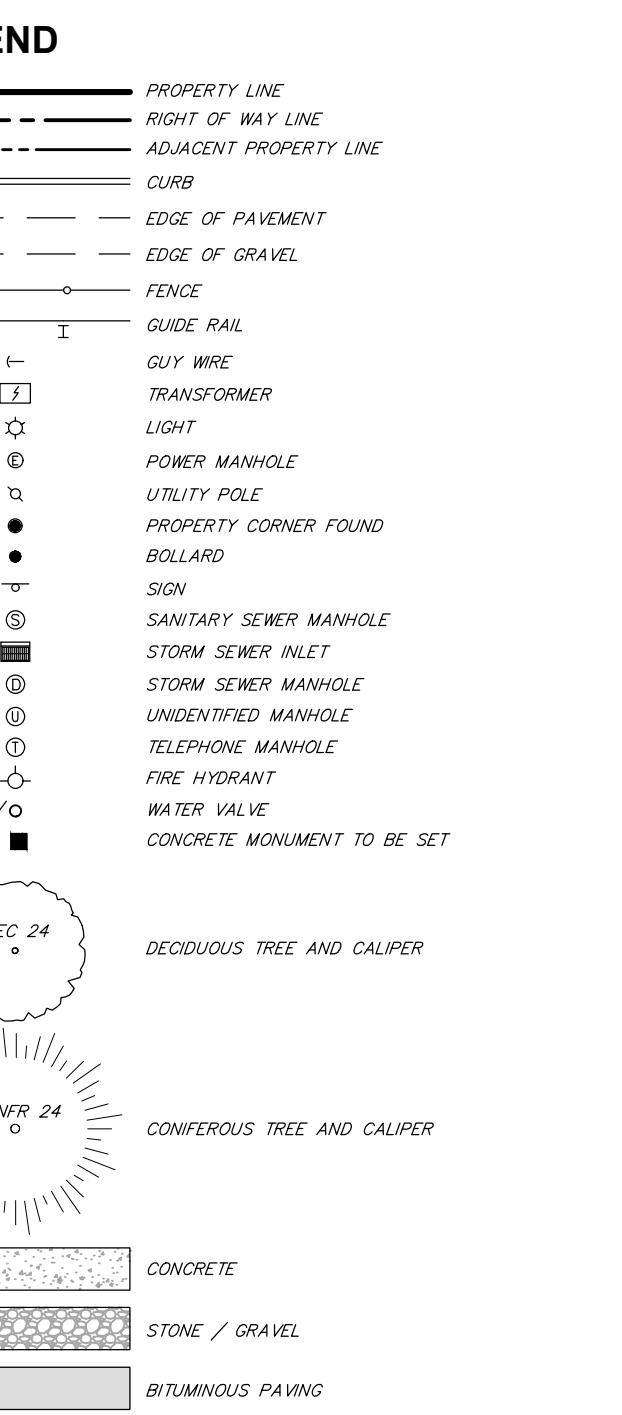
LOCATION MAP
N 39-57-14 W 75-07-36

COOPER'S POINT WATERFRONT PARK MAJOR SUBDIVISION PLAN

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
36 WEST STATE STREET
TRENTON, NJ 08625
CITY OF CAMDEN, CAMDEN COUNTY, NEW JERSEY

PROJECT STATUS: PENDING PERMIT ISSUANCE

BLOCK 79, LOT 13
TRENTON, NJ 08625



COUNTY PLANNING BOARD APPROVAL

THIS MAP HAS BEEN REVIEWED AS PRESCRIBED BY N.J.S.A. 40:27-6.3 AND HAS BEEN APPROVED AS REQUIRED BY N.J.S.A. 40:27-6.3 ON _____ FOR THE CAMDEN COUNTY PLANNING BOARD.

PLANNING DIRECTOR DATE

ATTEST DATE

THIS MAP IS CERTIFIED TO THE REGISTER OF DEEDS AS CONFORMING TO THE PROVISIONS OF THE MAP FILING LAW FOR THE CAMDEN COUNTY PLANNING BOARD.

PLANNING DIRECTOR DATE

OWNER'S CERTIFICATION DATE

OWNER AND APPLICANT: NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
36 WEST STATE STREET
TRENTON, NJ 08608

IT IS HEREBY CERTIFIED THAT THE LAND SUBDIVIDED BY THIS MAP IS OWNED BY TITLE OF RECORD AND THAT CONSENT TO THE APPROVAL OF SAID MAP IS GIVEN

BY PENNONI ASSOCIATES, INC. AND THAT THE APPLICANT IS NOT SUBJECT TO PENALTY FOR VIOLATION OF THE MAP FILING LAW.

ALL DOCUMENTS PREPARED BY PENNONI ASSOCIATES, INC. ARE INSTRUMENTS OF SERVICE IN RESPECT OF THE PROPERTY THAT THEY CONCERN AND ARE NOT TO BE SUITABLE FOR REUSE BY OWNER OR OTHERS ON THE EXTENT OF THE PROJECT OR ON ANY OTHER PROPERTY. ANY REUSE OF THESE DOCUMENTS OR ADAPTION BY PENNONI ASSOCIATES FOR THE SOLE RISK AND WITHOUT LIABILITY OF PENNONI ASSOCIATES FROM ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES ARISING OUT OF OR RESULTING THEREFROM.

PROJECT NJEDA25001
DATE 7/3/25
DRAWING SCALE 1"=60'
DRAWN BY CSC
APPROVED BY KML

SURVEYOR'S CERTIFICATION
I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF THIS MAP AND LAND SURVEY DATED 7/3/25 MEET THE MINIMUM SURVEY DETAIL REQUIREMENTS OF THE STATE BOARD OF PROFESSIONAL LAND SURVEYORS AND THE MAP HAS BEEN MADE UNDER MY SUPERVISION, AND COMPLETES WITH THE "MAP FILING LAW" AND THAT THE OUTBOUND CORNER MARKERS AS SHOWN HAVE BEEN FOUND, OR SET.

Digitally signed
by Keith Ludwig
Date:
2025.10.31
08:05:42 -04'00'

KEITH M. LUDWIG, P.L.S.

N.J. LIC. #24GS04324400

MUNICIPAL CLERK'S CERTIFICATION

THE MONUMENTS SHOWN ON THIS MAP SHALL BE SET WITHIN THE TIME LIMIT PROVIDED IN THE "MUNICIPAL AND USE LAW," P.L. 1975, c.291 (C:40:55D-1 et seq.) OR LOCAL ORDINANCE.

I CERTIFY THAT A BOND HAS BEEN GIVEN TO THE MUNICIPALITY, GUARANTEEING THE FUTURE SETTING OF THE MONUMENTS AS DESIGNATED AND SHOWN ON THIS MAP.

PLANNING BOARD ENGINEER'S CERTIFICATION

I HAVE CAREFULLY EXAMINED THIS MAP AND TO THE BEST OF MY KNOWLEDGE AND BELIEF FIND IT CONFORMS WITH THE PROVISIONS OF "THE MAP FILING LAW," RESOLUTION OF APPROVAL AND THE MUNICIPAL ORDINANCES AND REQUIREMENTS APPLICABLE HERETO.

CHAIRMAN DATE

SECRETARY DATE

PLANNING BOARD ENGINEER DATE

ZONING OFFICER/ADMINISTRATIVE OFFICE DATE

0 60' 120'

Pennoni

PENNONI ASSOCIATES INC.
515 Grove Street, Suite 1B
Haddon Heights, NJ 08036
F 856.547.9174
COA NO. G28033500
T 856.547.0505

§1
T & E
§2
Repealer

P.L. 2025, CHAPTER 30, *approved March 6, 2025*

Assembly, No. 4707

1 **AN ACT** authorizing the State Treasurer to sell certain surplus real
2 property and improvements owned by the State in the City of
3 Camden, Camden County, and repealing P.L.2013, c.22.

4

5 **BE IT ENACTED** by the *Senate and General Assembly of the State*
6 *of New Jersey*:

7

8 1. a. Notwithstanding the provisions of any other law, rule, or
9 regulation to the contrary, the Department of the Treasury, on
10 behalf of the Department of Corrections, is authorized to sell and
11 convey as surplus real property, all of the State's right, title, and
12 interest in and to the property known as the former Riverfront State
13 Prison, in the City of Camden, Camden County, which contains 16±
14 acres of land and improvements also known as Block 79, Lot 13 on
15 the tax map of the City of Camden.

16 The New Jersey Economic Development Authority, in
17 consultation with the City of Camden and the Department of the
18 Treasury, shall determine the boundaries of the NJEDA Site and the
19 City Site, as those Sites are defined in subsection e. of this section,
20 within the 16± acres of land and improvements of Block 79, Lot 13
21 on the tax map of the City of Camden, prior to the sale and
22 conveyance by the Department of the Treasury.

23 b. The NJEDA Site shall be sold and conveyed to the authority
24 by the department for the lesser of \$5,000,000 or the appraised
25 value at the time of the sale and conveyance.

26 c. The City Site shall be sold and conveyed to the City of
27 Camden by the department for one dollar. As a condition of the
28 sale and conveyance to the city, the city shall sell and convey all of
29 the city's right, title, and interest in and to the Southwest Site, as
30 that Site is defined in subsection e. of this section, by deed to the
31 authority. The sale and conveyance of the City Site to the City of
32 Camden shall be on the condition that City Site be preserved solely
33 for public use as a park or for recreational activities, or both, and
34 for a right of way.

35 The City Site shall be sold and conveyed to the City by the
36 department in an "as is" condition with no responsibility assumed
37 or expenditure made by the State prior to, or as a condition of, the
38 execution of the sale and conveyance for any repair, reconstruction,
39 or renovation of the land, buildings, or structures on the City Site
40 made necessary due to ordinary or extraordinary use, wear and tear,
41 neglect, deterioration due to exposure to the elements, vandalism, or

1 age, or for any infrastructure, habitability, life safety or building
2 code upgrade or improvement to, nor any demolition on, the City
3 Site.

4 d. The sale and conveyance of the NJEDA Site and City Site
5 authorized in this section shall not require the approval of the State
6 House Commission or any further approval of the Legislature.

7 e. Following the sale and conveyance of the NJEDA Site and the
8 Southwest Site to the authority by the Department of the Treasury
9 and the City of Camden, the authority shall sell and convey the
10 NJEDA Site and the Southwest Site though one or more
11 transactions. The NJEDA Site and the Southwest Site may be sold
12 and conveyed by the authority together with other property owned
13 or to be acquired by the authority adjacent to or near the NJEDA
14 Site and the Southwest Site. A sale and conveyance by the
15 authority in accordance with this section shall be in accordance with
16 the terms and conditions as the authority shall deem reasonable, and
17 those terms and conditions may require the redevelopment of the
18 NJEDA Site and the Southwest Site.

19 f. As used in this section:

20 "City Site" means the portion of the Riverfront State Prison
21 property on which the City of Camden, the Division of Property
22 Management and Construction within the Department of the
23 Treasury, and the New Jersey Economic Development Authority
24 have constructed and have maintained and operated a park and
25 roadway improvements through a memorandum of understanding
26 and license agreement.

27 "NJEDA Site" means the portion of the Riverfront State Prison
28 property owned by the State excluding the City Site.

29 "Southwest Site" means the portion of the Riverfront State
30 Prison property at the southwest corner of State Street and
31 Delaware Avenue in the City of Camden owned by the City of
32 Camden.

33

34 2. P.L.2013, c.22 is repealed.

35

36 3. This act shall take effect immediately.

37

38

39 STATEMENT

40

41 In 2009, the Riverfront State Prison was closed. A law enacted
42 in 2013, P.L.2013, c.22, authorized the sale and conveyance of that
43 property by the Department of the Treasury to the New Jersey
44 Economic Development Authority so that the authority could sell
45 the property in accordance with specific procedures set forth by the
46 State House Commission at a meeting held on November 22, 2010.
47 The authority has been unable to sell the property following the
48 process set forth at that meeting, and therefore never received the

1 title for the property from the State. This bill again requires the sale
2 of the property by the State and will allow the authority to follow its
3 standard real estate development process as it pertains to the sale
4 and conveyance of the property it receives from the State and the
5 City of Camden.

6 This bill authorizes the State Treasurer to sell and convey all of
7 the State's interest within the former Riverfront State Prison in the
8 City of Camden, Camden County a 16± acres parcel of land and all
9 improvements. The property has been declared to be surplus to the
10 needs of the State. A portion of the land referred to as the NJEDA
11 Site will be sold and conveyed to the New Jersey Economic
12 Development Authority and a portion of the land referred to as the
13 City Site will be sold and conveyed to the City of Camden.

14 The NJEDA Site will be sold and conveyed to the authority for
15 the lesser of \$5,000,000 or the appraised value at the time of the
16 sale. The City Site will be sold and conveyed to the City of
17 Camden for one dollar, on the condition that the city sell and
18 convey the city's right, title, and interest in and to the Southwest
19 Site to the authority.

20 The bill requires the authority, in consultation with the City of
21 Camden and the Department of the Treasury, to determine the
22 boundaries of the NJEDA Site and the City Site. The conveyance
23 of real property by the State Treasurer to the authority and the city
24 will not require the approval of the State House Commission or any
25 further approval of the Legislature.

26 The authority can thereafter sell the NJEDA Site and the
27 Southwest Site in accordance with terms and conditions set by the
28 authority.

29 The NJEDA Site, City Site, and Southwest Site are defined in the
30 bill.

31 This bill repeals P.L.2013, c.22 which authorized the sale of the
32 site of the former Riverfront State Prison in the City of Camden as
33 State surplus property to the NJEDA for public auction to a
34 prequalified developer.

35

36

37

38

39 Authorizes State Treasurer to sell as surplus certain real property
40 and improvements in City of Camden in Camden County.

MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 15, 2025

SUBJECT: Credit Underwriting Projects Approved Under Delegated Authority –
For Informational Purposes Only

The following projects were approved under Delegated Authority in November 2025:

Premier Lender Program:

- 1) 747 Lacey Rd LLC (PROD-00322411), located in Lacey Township, Ocean County, is a real estate holding company formed in 2025 to purchase the project property. Co-Applicant, CGG Legacy Group Inc., is a management company that was incorporated in 2024. The operating company, Graham Behavior Services Limited Liability Company, was formed in 2013 to provide comprehensive, evidence-based therapy to individuals facing behavioral challenges or an autism spectrum disorder. The goal is to create an effective behavioral change in their clients, while empowering their families to help them pursue productive, purposeful, and fulfilling lives. M&T Bank approved a \$1,125,000 loan contingent upon an 11.11% (\$125,000) Authority participation. Proceeds will be used to purchase the project property to open a second location for future growth. The Company currently has 130 employees and plans to create 15 new positions within the next two years.

Small Business Fund Program:

- 1) 108 Lien Street Mommy LLC (PROD-00321844), located in Dover Township, Ocean County, was formed in 2025 as a real holding company to purchase the project property. The operating company, Walter's Custom Painting LLC, ("WCP LLC"), was formed in 2017 as a fully licensed and insured painting and finishing business. WCP LLC emphasizes an artistic approach to every project and offers a broad suite of services including interior and exterior painting, faux finishing, cabinet refinishing, pressure washing, and is recognized for its Venetian plastering services, a specialty finish using tinted plaster hand-applied with trowels. The Company services numerous communities in Ocean County and central New Jersey. M&T Bank approved a \$539,100 loan contingent upon an 18.55% (\$100,000) Authority participation. The Company currently has 7 employees and plans to create 4 new positions within the next two years.

Hazardous Discharge Site Remediation Fund Program:

- 1) 26-10 Broadway LLC (PROD-00322123), located in Fair Lawn Borough, Bergen County, was formed in 2019 as a real estate holding company and landlord for the project property. The property has two tenants under lease, a gas station and an automotive repair business. The operating company, Business Holdings, LLC, is the current gas station owner/operator. The Applicant is seeking to complete the remaining remedial investigation and action activities to clean up the site. The NJEDA approved a \$440,400 loan for remediation purposes.



Tim Sullivan, CEO

Prepared by: G. Robins



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: December 16, 2025

SUBJECT: Economic Transformation Products
Delegated Authority Approvals, Declinations, & Other Actions Q3 2025
For Informational Purposes Only

Technology Innovation Products

Technology Innovation Products creates and manages products targeting emerging and early-stage technology companies to provide various type of investment and financial assistance.

Angel Investor Tax Credit Program

On January 31, 2013, the New Jersey Angel Investor Tax Credit Act was signed into law with Regulations approved by the Members of the Board in June 2013. The New Jersey Angel Investor Tax Credit Program (ATC) establishes credits against corporate business tax or New Jersey gross income tax. When the program was originally approved, the amount of the tax credit was 10%. In 2019, Governor Murphy approved an increase to the amount of the tax credit from 10% to 20%, with a 5% bonus for investors in either NJ certified women- or minority-owned businesses, or businesses located in a state-designated Opportunity Zone or New Markets Tax Credit census tract. Starting with the 2021 program year, the Angel Tax Credit program cap increased from \$25 million to \$35 million.

Angel Investor Tax Credit Program – Q3 2025 Review

In the third quarter of 2025, the Authority approved one hundred twenty-five (125) ATC investor applications with twenty-eight (28) emerging technology businesses benefiting from the ATC Program. Of the companies receiving investments, eight (8) were new companies to the program. Investors in nine (9) companies qualified to receive an additional 5% bonus, approximately 32% of companies this quarter. Staff also declined six (6) applications.

For the third quarter of 2025, there were five (5) life science companies, twenty-two (22) technology companies and one (1) clean energy company with investors approved for the credit.

Seven (7) were state-certified Minority/Women Business Enterprises, and two (2) business based their operations in an Opportunity Zone or New Market Tax Credit census tract. The average investment amount per application in the life sciences sector was \$130,000, the average investment per application in the technology sector was \$177,698, and the average investment per application in the clean technology sector was \$2,533,323.

In total, \$5,153,334 in Angel Investor Tax Credits were awarded, incentivizing \$28,182,087 in private equity investments in NJ emerging technology businesses.

Sector	Investment Amount	Tax Credit Amount	Applications	# of Companies	% of Total Invested	% of Total Applications
Life Sciences	\$2,989,997	\$612,749	23	5	11%	18%
Technology	\$17,592,122	\$3,715,588	99	22	62%	80%
Clean Technology	\$7,599,968	\$824,997	3	1	27%	2%
Total	\$28,182,087	\$5,153,334	125	28		

Investors for the following twenty-eight (28) companies were awarded tax credits in Q3 2025:

4M Therapeutics, Inc., based in Montgomery Township, is a biotechnology company focused on developing novel medicines for psychiatry and neurology. Their technology platform identifies and optimizes new medicines based on their ability to help human brain cells grow and make new connections, particularly for conditions like bipolar disorder, depression, Alzheimer's disease, and autism spectrum disorders (**new company in Q3 2025**).

Acuitive Technologies, Inc., based in Allendale, pursues the development of novel biomaterial technologies to improve the repair and regeneration of musculoskeletal tissue.

AGEless Biotechnologies, Inc., based in Fort Lee Borough, is a biotech company focused on regenerative healthcare, specifically in pioneering stem cell research and protein modification to develop treatments for osteoarthritis and age-related diseases. The company uses a process called Stromal Vascular Fraction (SVF) to extract cells from adipose and placental tissue that would otherwise become medical waste (**new company in Q3 2025**).

AlphaROC, Inc., based in Newark, is a data science company developing AI and machine learning SaaS products for use in market research and data analysis. Their flagship product, OCCAM, employs natural language processing and neural network-based predictive models to interpret big data for customer insights and strategic decision making in various sectors (**investors qualify for a bonus as the business operates in an Opportunity Zone or New Markets Tax Credit census tract**).

Balcony Technology Group, Inc., based in Hoboken, aims to enhance the security, transparency, and efficiency of real estate transactions. Their technological innovations include real estate tokenization and on-chain title transfers, utilizing their specialized subnet on the Avalanche

Network. Balcony's work integrates blockchain with advanced computing, IoT, and information technology to enhance data security and processing in real estate transactions, protecting against hacks, connecting departments, & turning data analytics into insights.

Curio Digital Therapeutics Inc., based in Princeton, is a MedTech company, pioneering digital therapeutic solutions with a curated provider network across the behavioral health continuum for women throughout the cycle of life.

Endomedix, Inc., based in Montclair, is a manufacturing company that has developed a unique polysaccharide chemistry platform used to create a series of biosurgical devices. Endomedix's patented technology is intended for use in brain and spinal surgery. Endomedix's first device, "PlexiClot" Absorbable Hemistate, will help surgeons control bleeding during surgeries.

Evergreen Theragnostics, Inc., based in Springfield, is a Contract Development and Manufacturing Organization (CDMO) servicing the radiopharmaceutical industry in developing early-stage molecules. Evergreen is also engaged in research and development of new diagnostic and therapeutic radiopharmaceutical products that it intends to market to US hospitals.

Halcyon Still Water LLC, based in Red Bank, has developed a platform that leverages unique technology to aggregate a taxpayer's complete financial landscape to prepare tax returns and provide tax expertise by crowdsourcing CPA services.

ImageProVision, Inc., based in Franklin Township, focuses on the automation of microscope image data analysis for the pharmaceutical industry **(investors qualify for a bonus as the business is a certified Minority/Women Business Enterprise)**.

Inaedis, Inc., based in Princeton Borough, is a biotechnology company that transforms liquid vaccines and biologics into room-temperature stable powders using its proprietary Rapid Room-Temperature Dehydration Technology (RTAD). This innovation addresses critical challenges in cold chain logistics, enhancing the stability and accessibility of life-saving pharmaceuticals, particularly in regions lacking refrigeration infrastructure **(new company in Q3 2025)**.

Kenyi Technologies Inc., based in Piscataway, is an early-stage semiconductor company developing Edge infrastructure platforms that will integrate advanced computing, mobile communication, and electronic device technologies to create a new silicon processor for mobile wireless base stations **(investors qualify for a bonus as the business is a certified Minority/Women Business Enterprise and is a new company in Q3 2025)**.

Mortgage Automation Technologies, Inc., based in Fairfield, is a fintech and information technology company developing a completely automated mortgage experience. They provide point-of-sale software and integrated system hardware. They are customizing and streamlining the borrower mortgage experience with a simple web-based portal and digital kiosk terminals. Their software, "The BIG Point of Sale", simplifies workflows for loan originators and consumers, and "The BIG Agent" connects brokers and real estate agents in a collaborative portal.

Nevakar, Inc., based in Bridgewater, is a specialty pharmaceutical company focused on developing innovative products in the injectable and ophthalmic space.

Orcosa, Inc., based in Trenton, is a life science company that developed the RITE™ Platform, which produces a convenient orally disintegrating tablet. This innovative tablet quickly delivers an active ingredient through the cheek tissue, providing rapid and efficient therapeutic effects. In June 2023, Orcosa Inc. was granted its first patent, a result of the RITE™ Platform, with patent claims covering composition, formulation, and method of utilization.

Osteogene Tech, Corp., based in Norwood Borough, develops advanced solutions for bone regeneration challenges within the medical sector. The company produces InRoad® Dental synthetic bone grafts and is actively expanding its product range to include orthopedic and other biomedical applications **(investors qualify for a bonus as the business is a certified Minority/Women Business Enterprise and is a new company in Q3 2025)**.

Princeton Critical Minerals, Inc., based in Newark, specializes in Advanced Evaporation Technologies for Sustainable Minerals Extraction, offering two innovative products: the Lilypad and the E-LITE. These products use advanced materials to enhance lithium production **(investors qualify for a bonus as the business is a certified Minority/Women Business Enterprise and is a new company in Q3 2025)**.

Princeton Identity, Inc., (formerly a division of SRI International) based in Hamilton, provides biometric identity management using iris recognition and other biometric technology. The Company's unique multimodal biometric solutions employ distinctive iris and facial recognition technologies designed for accuracy and ease of use.

Princeton Nuenergy, Inc., based in Princeton, is an innovative clean-tech startup company (spun out from Princeton University in 2019) focused on the direct recycling of lithium-ion batteries from electric vehicles and consumer electronics. The Company has experience handling and recycling aged rechargeable EV batteries, namely those from Tesla vehicles **(investors qualify for a bonus as the business is a certified Minority/Women Business Enterprise)**.

Real Estate Innovators, Inc. (DBA Nearsite), based in Princeton, is an in-house platform tech company designed to provide professionals with temporary furnished housing. The business model relies heavily on AI technology, from unit listings, searches, online applications, background checks, lease signing and customer support. They are currently working on developing a proprietary B2B marketplace which will be a 100% technology/software platform.

RICOVR Healthcare, Inc., based in Princeton, is the creator of the XALIVA rapid diagnostics platform which provides high-quality, rapid diagnostic results using nanoparticle detection technology, allowing for fast, non-invasive specimen collection and analytics.

Small Joys Inc., based in Harrington Park Borough, is an integrated behavioral health company that collaborates with physicians to provide remote counseling and support for various behavioral health conditions, facilitates data sharing among healthcare professionals, and integrates behavioral health data with electronic health records **(new company in Q3 2025)**.

SunRay Scientific, Inc., based in Eatontown, is a global technology company providing novel adhesive conductive solutions for advanced electronic packaging, including semiconductors packaging **(investors qualify for a bonus as the business is a certified Minority/Women**

Business Enterprise).

Thinkster Learning, Inc., based in Kendall Park, is an AI and tech-enabled, SaaS platform for K-12 called Life Learning which offers a variety of subjects to students, such as math, reading, physics, chemistry and test prep.

Truefort, Inc., based in Weehawken, develops cybersecurity software products used by enterprises globally to protect their critical business applications on site and in the cloud. TrueFort provides a last line of defense against insider and/or advanced persistent threats for core business applications. The Company uses advanced analytics and machine learning to monitor over 100 end-to-end interdependencies, baseline application behavior and detect malicious activity in real time.

Ubuntu Research Inc., based in Monroe Township, is an IT company implementing SaaS products to assist pharmaceutical developers to bring their new medicines to the market faster and more cost effectively, especially in the area of cellular and gene transfer therapies **(investors qualify for a bonus as the business is a certified Minority/Women Business Enterprise and is a new company in Q3 2025)**.

Vaneltix Pharma, Inc., based in Bound Brook, is a biopharmaceutical company that is developing treatments for Urological disorders. The company are developing products to treat disorders of the lower urinary tract, in particular bladder epithelial dysfunction. Vaneltix has one product in mid phase clinical development to alleviate symptoms associated with the disease Interstitial Cystitis that employs a topical anesthetic and along with a mucus component to help protect the bladder surface from irritation **(investors qualify for a bonus as the business operates in an Opportunity Zone or New Markets Tax Credit census tract)**.

vipHomeLink Holdings, Inc., based in Morristown, has developed a digital home management software solution in the form of an interactive mobile app. It employs AI, behavioral science, and 4 data analytics to deliver curated content and relevant guidance to homeowners with the objectives of making homes safer, more valuable, and more energy efficient while tracking progress toward those goals.

Please find a detailed list of all ATC applications that were approved and declined under delegated authority during the third quarter of 2025 in Exhibit A.

Angel Investor Tax Credit Program - Summary

Since program inception, NJEDA has approved 3,960 applications and awarded \$150,318,193 in Angel Investor Tax Credits incentivizing \$1,190,702,462 in private sector investments in 193 NJ emerging technology businesses. Of note, date of application approval does not necessarily align to program year. Approvals in each quarter may be reflected in the awarded tax credit amounts for prior or current program years.

A summary of prior year tax credits and unallocated balances is provided in Exhibit B.

NJ Ignite Program

A2365/S3189 Sections 92-97 “The New Jersey Ignite Act” (P.L. 2020, C.156, Sections 20 through 34) repealed the NJ Ignite program on June 30, 2025. As such, the program discontinued accepting applications on that date. One application received in Q1 2025, was approved and closed in Q3 2025 (for a 12-month lease that expires 03/31/2026). There are no other applications in process. The remaining portfolio will be managed until all NJ Ignite awards have reached their maturity date.

NJ Accelerate Program

Through NJ Accelerate, NJEDA provides early-stage businesses with access to best-in-class Accelerator programs, enabling the tools and support to grow their businesses in the Garden State. The Program’s initial pilot period began in the fourth quarter 2020 and expired on September 21, 2024. On September 11, 2024, the NJEDA Board approved a new two-year pilot period for NJ Accelerate which will conclude on September 21, 2026. The Board also authorized the continued utilization of NJ Accelerate’s original funding of \$2,500,000 plus an additional \$5,000,000.

To become an approved Accelerator for NJ Accelerate, programs must be “best-in-class” as demonstrated by a set of criteria, including but not limited to a well-codified and rigorous screening process, a structured curriculum, a proven track record of success of prior graduates and at least 50 actively engaged subject matter expert/mentors. In addition, the Accelerator must provide financial investment in at least one company per cohort. The Program provides up to \$250,000 to Approved Accelerator Graduates located in New Jersey in the form of a 10-year convertible note, with a 3% fixed interest rate and no payments for seven years. NJEDA receives warrants in consideration for the financing; the amount of warrant coverage is 50% of NJEDA’s note amount. Additionally, Graduates located in New Jersey can receive up to six months of free rent in NJ-based co-working spaces. Graduates certified as women- or minority-owned, can receive an additional 5% bonus to the direct loan amount, as well as one additional month of rent. Approved Accelerators may also receive sponsorship to hold events in NJ. The amount is up to \$20,000 in total for each Accelerator at \$2,000 sponsorship per event with a bonus of 5% for Approved Accelerators approved for having policies supporting businesses owned by women and minority persons.

NJ Accelerate Program – Q3 2025 Review

As of Q3 2025, NJEDA Staff approved one new Accelerator application for Founders Factory. There are currently 14 (1 no longer in operation) accelerator programs approved for participation in NJ Accelerate.

List of Approved Accelerators

Accelerator Name	Accelerator Location
Morgan Stanley Inclusive Ventures Lab	New York City, NY

Cleantech Open Northeast	Boston, MA
VentureWell - Aspire Program	Hadley, MA
University City Science Center - Launch Lane (Inactive)	Philadelphia, PA
HAX LLC	Newark, NJ
XRC Ventures	Brooklyn, NY
Merck Digital Sciences Studio	Newark, NJ and Cambridge, MA
Lair East Labs	New York City, NY
LearnLaunch Fund + Accelerator	Boston, MA
Entrepreneurs Roundtable Accelerator	New York City, NY
MetaProp Accelerator	New York City, NY
Plug and Play	Hoboken, NJ and other locations
gener8tor Management LLC	Milwaukee, WI and other locations
Founders Factory	New York City, London and other locations

In terms of benefits for Approved Accelerator Graduates, in Q3 2025, four applications for the Investment Loan Benefit were approved of which two were closed and disbursed and two are in closing.

Applicant Name	Approved Accelerator	Approved Amount	Disbursed Amount	Approval Date	Closing Date
Canyon Magnet Energy Inc.	HAX LLC	\$200,000	\$200,000	7/24/2025	9/5/2025
Clarista Inc	Plug and Play (NJ FAST)	\$262,500	\$262,500	8/26/2025	9/11/2025
Counter Fin aka EchoX	gener8tor Management LLC	\$100,000	TBD	9/19/2025	TBD
Penelope.Co, INC aka Smartwork Inc	Plug and Play (NJ FAST)	\$250,000	TBD	9/30/2025	TBD
TOTAL		\$812,500	\$462,500		

NJ Accelerate Program - Summary

Since program inception, NJ Accelerate supported 20 companies with 18 Investment Loan Benefits and 3 Rent Benefit grants, as well as 5 event sponsorship benefits to Accelerators, for a total closed amount of \$2,994,077.63.

Angel Match Program

The Angel Match Program was designed to disburse \$255,197,631 in funding from the Small State Business Intuitive (SSBCI), a federal program administered by the US Department of Treasury. New Jersey's share. On September 14, 2022, the NJEDA Board approved the Angel Match Program. The total Angel Match Program allocation is \$20,197,631. On June 11, 2025, the NJEDA Board approved updates to the Angel Match Program which were accepted by the US Treasury on June 17, 2025.

The Angel Match Program provides funding to approved companies in the form of a convertible promissory note. Each note will be from \$100,000 up to \$1,000,000. The funding amount is determined by matching the NJEDA's funds with investments provided to the company by outside investors on a 1 to 1 basis. The matching investments must be in the form of preferred equity with a defined price per share. The NJEDA's note is unsecured and has no payments for the first seven years. The note has a 3% fixed interest rate and a 10-year maturity. NJEDA receives warrants in consideration for the financing; the amount of warrant coverage is 50% of NJEDA's note amount.

Angel Match Program – Q3 2025 Review

In the third quarter of 2025, market interest in the Program continued and demand is high. Six applications for the Angel Match Program were approved in the third quarter of 2025 and one of the six closed in the following quarter.

Applicant Name	Approved Amount	Disbursed Amount	Match Investment	Approval Date	Closing Date
Curio Digital Therapeutics Inc.	\$1,000,000	TBD	TBD	07/24/2025	TBD
MyPhysicianPlan	\$1,000,000	\$125,000	\$125,000	07/11/2025	10/02/2025
Otava, Inc	\$1,000,000	TBD	TBD	09/03/2025	TBD
TreadStone Technologies, Inc.	\$1,000,000	TBD	TBD	09/03/2025	TBD
SymetryML, Inc.	\$1,000,000	TBD	TBD	09/19/2025	TBD
OceanTailer Inc	\$500,000	TBD	TBD	09/24/2025	TBD
Total	\$5,500,000	\$125,000	\$125,000		

Curio Digital Therapeutics, based in Princeton, is a developer of a personalized digital wellness application designed for women's health management. The company's platform offers a holistic approach to women's health, addressing both physical and psychological aspects, tailored information and resources, and guiding women through the transformative journey of fertility, pregnancy, motherhood, and overall well-being, enabling women with personalized healthcare services.

MyPhysicianPlan, Inc., based in Princeton, is a tech-enabled healthcare platform making quality care affordable and accessible. The Company benefits individuals, small businesses, gig workers, and travelers by eliminating high costs, insurance hassles, and provider access barriers.

Otava, Inc., based in Moorestown, is a developer of millimeter wave system on chip (SoCs) and subsystems as wireless connectivity technologies intended to communicate and transmit data. The company's technologies incorporate the use of 5G applications to address the capacity limitations that exist within challenging outdoor and indoor areas, enabling business owners with access to bandwidth with multiple simultaneous beams and low latency with the smallest size, weight, power, and cost.

TreadStone Technologies, Inc., based in Monmouth Junction, has developed corrosion-resistant metal coating technology intended to protect metal parts from corrosion while maintaining

electrical conductivity. The company provides coatings for fuel cells, electrolyzers, and flow batteries, as well as sample testing.

SymetryML, Inc., based in Morristown, is a machine learning software company that provides a platform for real-time, continuous, and privacy-preserving data analytics and AI/ML model training. The company primarily serves industries that deal with sensitive and high-velocity data, such as healthcare, finance, retail, and cybersecurity.

OceanTailer Inc., based in Fairfield, is a technology platform for manufacturers of homeware products to integrate and sell to retailers and business customers. The Company leverages proprietary AI to make manufacturers products market ready and have introduced a SaaS component to integrate seamlessly on manufacturers websites.

Angel Match Program - Summary

Since program inception, Angel Match has supported 14 companies accounting for a total of \$6,341,498.01 closed matching funds. The approval of the applicants spurred the closing of external investments in the amount of \$7,998,047.64.

NJ Entrepreneur Support Program (NJESP)

On March 26, 2020, the NJEDA Board approved the NJ Entrepreneur Support Program (NJESP) in response to the limited available funding generated by the COVID-19 pandemic. Through NJESP, investors in NJ entrepreneurial businesses could receive a guarantee (up to 80%, not to exceed \$200,000 per company) for new, qualified bridge loans/convertible notes. The guarantee matures in one year, having an expiration date one year from the underlying note's issue date. If certain financial conditions are met by the company within this one-year term, the note investor could submit a claim to the NJEDA for payment of the guarantee. If the investor converts the note to equity, the Authority will be provided with a warrant for 20% of the guarantee amount, under the same pricing as the investor's conversion pricing on the Authority's standard warrant form. The program was sunsetted in February of 2021.

In 2023, the effects stemming from the pandemic continued to impact the financial system, and a financial crisis made headlines on March 8, 2023, after the collapse of regional banks focusing on emerging startups. In response, the NJEDA reopened the NJ Entrepreneur Support Program in April of 2023. Program updates included allowing new company investors to participate, increasing the total guarantee amount per company to \$400,000 (\$500,000 in total loans), raising the company's maximum number of total employees to fewer than 225 total employees, removing the trailing twelve-month revenue requirement, and updating the eligible company industries to the NJEDA's list of established "targeted industries".

NJ Entrepreneur Support Program – Q3 2025 Review

In Q3 of 2025, the program did not receive approvals, withdrawals, or other actions. No action is needed as there are no applications in process.

NJ Entrepreneur Support Program – Summary

Since program inception, NJEDA has supported 6 companies and closed 18 applications for a total of \$1,464,000 in guarantees. The approval of the applicants incentivized \$1,830,000 in external investments for the companies.

Venture Products

Venture Products focuses on engagement with angel and venture capital investors to deliver products that catalyze investment that create and sustain job growth in businesses within each of the key sectors.

New Jersey Innovation Fellows

The New Jersey Innovation Fellows program, approved by the Authority’s Board in November 2022, was established following the legislature’s finding that “one of the most difficult challenges for upstart entrepreneurs is forgoing employment to launch their business” and that “for diverse entrepreneurs, this challenge is often exacerbated” and directed the NJEDA “to invest in diverse talent critical to New Jersey having a vibrant ecosystem” through the New Jersey Innovation Fellows program (N.J.S.A. 34: 1B-371).

The program supports first-time entrepreneurs, with “income replacement” grants. This resource creates an opportunity to pursue unique startup business ventures with the security of initial income-replacement funding in the two-year ideation and formation period of their business. Per program policy and in accordance with the legislation, approved teams will be qualified to receive \$200,000 as a base award, and up to \$200,000 in bonuses. Teams may access an additional \$50,000 award on top of the \$200,000 base award if one Entrepreneur verifies residency in a designated Opportunity Zone in New Jersey.

New Jersey Innovation Fellows – Q3 2025 Review

In Q3 of 2025, the NJIF AI cohort closed program applications. In summary, the AI Cohort received 32 submissions. Five applications are being recommended for approval. Twenty (20) applications have been deemed incomplete based on missing key information or documents, therefore did not move forward in the competitive review process. Additionally, seven applications are recommended for discretionary declination. The program received the following appeals:

Appellant Details:

Appellant	Overturned or Upheld
Eligido	Upheld
GenPharma AI	Upheld

Appellant	Overturned or Upheld
Porticos Plus	Upheld
General Autonomy	In review
TrubAI	In Review
PeriMind	Upheld
Stack Wallet, Inc.	Withdrawn

New Jersey Innovation Evergreen Fund

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. 19:31-25 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 (“NIEF”, or “Evergreen Fund”) and the New Jersey Innovation Evergreen 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.

The Act authorizes the NJEDA to sell up to \$300 million of Corporation Business Tax (CBT) credits through a series of competitive auctions, proceeds of which are to be deposited in the Evergreen Fund to be used for Program investments. The Board approved the sale of \$50 million in tax credits through the inaugural Program auction in December 2022. Based on the outcome of the inaugural auction, participants were approved to purchase the \$50 million of tax credits for an aggregate amount of \$41.1 million. The proceeds of the auction are added to the \$5 million of Program funds received through a FY2023 State budget appropriation to fund initial Evergreen Fund 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 Qualified Venture Firm. Venture firms may apply for designations on a rolling basis, and applications are reviewed in order of submission. Applications for Qualified Venture Firms opened on December 16, 2022, and the Authority has approved 26 Qualified Venture Firms to-date.

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. Each request for a Qualified Investment may be as much as the Program investment

limit of \$10 million, or up to \$12.5 million 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 terms of each eligible Qualified Investment will be presented to the Board of the Authority, along with the recommendation for approval of each Qualified Investment. As of September 30, 2025, the Board of the Authority has approved ten initial Evergreen Fund Qualified Investments, of which eight initial Qualified Investment transaction has been closed and funded.

New Jersey Innovation Evergreen Fund - Qualified Venture Firms Q3 2025 Review

In the third Quarter of 2025, NJIEF has approved seven Qualified Venture Firm (“QVF”) by Staff under delegated authority, as shown below.

Applicant Name	Approval Date
NLC Fund Management LLC (“NLC Health Ventures” or “NLC”)	7/8/25
Atma Partners GP 1 Ltd (“Atma Capital”)	7/8/25
Pier 70 Ventures LLC (“Pier 70 Ventures” or “Pier 70”)	7/16/25
RYSE Asset Management LLP (“RYSE Asset Management” or “RYSE”)	7/23/25
Luma Group Advisor LLC (“Luma Group” or “Luma”)	7/24/25
Interwoven Ventures LLC (“interwoven Ventures” or “Interwoven”)	8/1/25
Emerald Development Managers LP (“Emerald Development Managers”)	8/21/25

NLC Fund Management LLC, established in 2016, is a seed and growth investment fund headquartered in Amsterdam, Netherlands, specializing in healthcare innovations. The firm is actively expanding its footprint in New Jersey through participation in the NJ Innovation Evergreen program, with plans to introduce companies from the Netherlands. Led by Bert-Arjan Millenaar, Ruben Mikkers, and Sylvia Butzke, NLC oversees €26.2 million in its NLC Health Impact Fund, which focuses on early-stage healthcare opportunities and maintains a diversified portfolio spanning biotechnology and general healthcare sectors. NLC has made its mark in New Jersey by investing in Exollo Biosciences, a venture in collaboration with Verily (Google Health).

Atma Partners GP 1 Ltd, founded in 2021, is a woman-led seed-stage venture capital firm with global offices in California, Dubai, and China, focusing on deep technology startups with societal and environmental benefits. The firm is expanding its presence in New Jersey through the NJ Innovation Evergreen program, with its co-invest in JOGO Health. Led by Ying Lee, Dr. James Wang, and Vinod Kumar, Atma Capital manages its \$200 million fund, targeting early-stage opportunities across sectors like renewable energy, digital health, and space technology. Atma Capital has already seen success with one exit and several valuation increases among its portfolio companies.

Pier 70 Ventures LLC, a diverse and women-led venture capital firm based in Seattle, focuses on emerging technology companies within the healthcare sector. Through its \$32 million INpact Fund, supported by investors such as Eli Lilly and Company, the firm invests in diverse

entrepreneurs who address the needs of underrepresented communities. Since July 2023, Pier 70 Ventures has made seven investments and manages a fund dedicated to opportunities in Washington state. After being introduced to the NJEDA, the firm is exploring New Jersey co-investment opportunities and plans to co-invest in Antigneix with the Evergreen fund. Led by Shaun Hawkins, Dr. Preetha Ram, and R. Miller Adams, Pier 70 Ventures targets digital health and precision medicine, striving for robust financial and social returns.

RYSE Asset Management LLP, established in 2017 in London, is a venture capital firm focused on HealthTech innovation. Committed to empowering founders addressing global healthcare challenges, RYSE seeks to transform lives while delivering robust health and financial outcomes. Although new to the New Jersey market, RYSE has invested \$1 million in Curio Digital Therapeutics and is exploring partnerships with the NJEDA to potentially introduce European companies to the state through its \$18 million 2024 Special Opportunities Fund I. Led by Shabir Chowdhary, Dr. John Lee Allen, Vivien de Tusch-Lec, and David Seemungal, the firm targets early-stage HealthTech companies, focusing on areas like women's health and oncology, primarily in the UK, Europe, and Israel.

Luma Group Advisor LLC, founded in 2023, is a venture capital firm focused on life sciences innovations, aiming to make a significant impact on human health outcomes. With its \$100 million LumaBio fund, the firm applies proprietary AI tools to optimize investment decisions. In New Jersey, Luma Group led the Series B round for Character Biosciences demonstrating their commitment to advancing local life sciences ventures in the state. Led by Joshua Fink, Dr. Themasap Khan, and Dr. James Kasuboski, the firm targets areas like genomic medicine and AI-enabled diagnostics, leveraging a global network to support groundbreaking HealthTech solutions.

Interwoven Ventures LLC is a woman-led venture capital firm that focuses on early-stage investments in robotics, automation, and artificial intelligence. With a diversified portfolio, the firm targets industries such as advanced manufacturing, logistics, digital health, and AgTech, aiming to foster a smarter, more efficient future. Operating from its first fund, Interwoven Venture Fund I, established in 2021, the firm is co-led by Lisa Chai, Dr. Erez Agmoni, and Clay Shepherd, and manages approximately \$28.6 million in assets. The firm aims to achieve commercial traction within three years for technology-focused, sector-agnostic startups in Seed to Series B stages.

Emerald Development Managers LP, founded in 1994 and based in New York, is an early-stage venture capital firm that focuses on life sciences, enterprise software, cybersecurity, industrial technology, and sustainability. With a strong track record, the firm has utilized the NJEDA's Angel Investor Tax Credit Program for investments in New Jersey companies like TrueFort, Inc. and Cyware Labs, Inc. Led by General Partners Neil Cohen and Charles Collins, Emerald manages over \$176 million in assets and is in the process of raising a new fund targeting \$175 million to \$250 million. Emerald values diverse perspectives and aims to guide emerging companies to become industry leaders by leveraging its extensive network and deep operational experience.

New Jersey Founders & Funders

New Jersey Founders & Funders (“F&F”) is an ecosystem-building semi-annual event organized

by the Authority to facilitate collaborative discussions between sophisticated angel or venture capital investors and eligible high-growth, New Jersey-based businesses. Since its inception in June 2014, more than 400 companies and 262 investors have participated in the F&F events across 16 events. Events feature up to twelve 10-minute one-on-one matched pitch meetings between attending companies and investors.

On July 17, 2024, the Authority's Board approved the NJ Founders and Funders All-Stars Event and Pilot Grant Program. The program follows the traditional format of previous F&F events with the addition of a pitch competition, where one eligible startup could earn the opportunity to apply for a \$100,000 grant. Furthermore, the event features a resource fair with opportunities for engagement with additional innovation ecosystem stakeholders. The All-Stars event took place on March 20, 2025, where one pitch competition winner was announced and given the opportunity to apply for the grant.

New Jersey Founders & Funders – Q3 2025 Review

In the third quarter of 2025, NJ F&F closed one eligible applicant by Staff under delegated authority, as shown below.

Applicant Name	Founder	Grant Award	Closing Date
Boxcar, Inc.	Joe Colangelo	\$100,000	7/22/25

Boxcar, Inc., based in Chatham, is a transportation technology company. Through the Boxcar mobile app, commuters can reserve a seat on a luxury motor coach, find parking spots, and book on-demand parking as well as other services provided by third parties.

Clean Energy Products

Clean Energy Products supports businesses and organizations across a wide range of technology areas including energy efficiency, solar, battery storage, offshore wind, zero emission vehicles, hydrogen, geothermal, and others with products aimed to reduce greenhouse gas and pollutant emissions.

New Jersey Zero-emission Incentive Program (NJ ZIP)

Launched in April 2021, the Phase 1 NJ ZIP pilot established a first-come, first-serve voucher-style program to reduce the upfront cost to purchase zero-emission vehicles for eligible applicants, with a focus on the adoption and use of zero-emission medium-duty vehicles in the four pilot communities of greater Newark, greater New Brunswick, greater Camden, and the Greater Shore Area.

New Jersey Zero-emission Incentive Program Phase 2 – Q3 2025 Review

In July 2022, the Board approved a second phase of the NJ ZIP pilot, with a voucher pool of \$45 million. While the overarching structure of the pilot remained unchanged, the second phase of this

pilot included two major eligibility changes from the first phase – to expand eligibility to include heavy-duty vehicle classes to Purchaser Applicants statewide – and provide updated support structures for pilot participants, including the development of a technical assistance mechanism.

NJ ZIP Phase 2 implemented a phased launch approach for Vendor and Purchaser applications. First, a zero-emission vehicle Vendor must apply to become an approved Vendor. Vendors applied for Phase 2, from October 18, 2022, through November 22, 2022, and the Program received 32 Vendor applications that were reviewed and approved, with vehicles approved on a rolling basis. In Q3 2025, no new vehicle applications were reviewed or approved.

Applications for Purchasers opened April 18, 2023, and closed on July 13, 2023, and were fully subscribed with \$13,500,000 in applications on a waitlist.

Since its launch through the second quarter of 2025, NJ ZIP Phase 2 has approved a total of 146 applications, amounting to \$53,233,600 in vouchers, facilitating the addition of 426 new zero-emission vehicles to New Jersey's roads. Of note, 49 applications were withdrawn post-approval, amounting to net award of \$36,252,800 in vouchers for 96 applications. In Q3 2025, no new applications were reviewed or approved.

New Jersey Zero-emission Incentive Program Phase 2 – Q3 2025 Approvals

Please find a detailed list of all NJ ZIP Phase 2 vouchers disbursed during the third quarter of 2025, in Exhibit C.

New Jersey Clean Energy Loans (NJ CELs)

The New Jersey Clean Energy Loans (NJ CELs) program was designed to disburse funding from the State Small Business Credit Initiative (SSBCI), a federal program administered by the US Department of Treasury. New Jersey's share of the SSBCI program is \$255,197,631. SSBCI is designed to cause and result in lending and investment of private capital into small businesses. On November 16, 2022, the NJEDA Board approved the creation of the Clean Energy Business Financing Program (“New Jersey Clean Energy Loans” or “NJ CELs”), one of six programs in NJ under SSBCI. The total NJ CELs allocation is \$80,000,000.

Following the initial NJEDA Board approval in November 2022 for the Program’s creation, an amendment was approved by the NJEDA Board on February 8, 2023, to broaden the eligibility criteria for private lenders, in order to facilitate the deployment of SSBCI funds within the required timeline for NJ CELs. The Authority launched the NJ CELs application on April 19, 2023. On March 7, 2024, another amendment was approved by the NJEDA Board pertaining to transaction size, collateral, reporting requirements, delegated authority, and loan forgiveness. On July 23, 2025, amendments were approved regarding base interest rate reduction amount, loan forgiveness terms, the level of delegated authority, and streamlining the Program’s scoring criteria. On October 7, 2025, the U.S. Treasury gave their final approval of the Program modifications pertaining to the base interest rate reduction.

NJ CELs is a co-lending program that offers loans to eligible small businesses seeking to finance eligible clean energy projects, or the expansion of eligible clean energy businesses. NJEDA loans must be matched at least 1:1 with a loan from a private lender. NJEDA loans under NJ CELs can range between \$250,000 and \$10,000,000, with terms between one and 25 years, and an interest rate that is 4-6% below the private lender's interest rate. Applicants who are Minority-, Women-, or Veteran-owned businesses and/or are located in an Overburdened Community in NJ are eligible for special terms. Applicants must meet the eligibility criteria and score a minimum of 50 points out of 100 points in order to receive financing. Complete applications are reviewed on a rolling basis to verify basic eligibility criteria and evaluated based on the standardized scoring criteria. NJEDA also conducts an underwriting of all applications. All loans must meet a minimum Global Debt Service Coverage Ratio (GDSCR) of 1.00x. Since the Program's inception, strategic efforts have been undertaken to market NJ CELs extensively, both to prospective borrowers and prospective co-lenders. NJ CELs has been featured in numerous newsletters and presentations, including being showcased by U.S. Treasury at an SSBCI regional convening to highlight how states are using SSBCI funds to support clean energy goals.

New Jersey Clean Energy Loans (NJ CELs) – Q3 2025 Review

In Q3 2025, there was a concerted effort to market the NJ CELs program to both targeted and broad audiences, including through cross-pollination across internal NJEDA teams and targeted outreach to key industry groups and stakeholders.

There are four application submissions for NJ CELs, one submitted in Q1 2025, two submitted in Q2 2025, and one submitted in Q3 2025. The total number of NJ CELs applications received to date is 18. The four applications, submitted in Q1 2025, Q2 2025, and Q3 2025, are currently under review. Of the total applications received, twelve were withdrawn prior to this quarter. One of the applications will require Board approval due to the size of the loan and is expected to be taken to the special October Board for approval.

NJ Cool

The NJ Cool program is a \$15 million pilot program launched by NJEDA to provide financial assistance to commercial, industrial, and institutional building owners and tenants undertaking retrofit construction projects that reduce operating greenhouse gas emissions from existing buildings in State-designated Overburdened Communities (OBCs) and Adjacent Community census blocks or the municipalities of Newark, Edison, and Atlantic City.

The NJEDA will provide grant awards ranging from \$50,000 to \$1 million to reimburse applicants at a 50% rate for eligible hard construction costs from projects that upgrade building heating and cooling systems to less polluting alternatives, as well as implement other energy efficiency measures or on-site renewables. This pilot is funded by the Regional Greenhouse Gas Initiative (RGGI) proceeds allocated to NJEDA and will accelerate the adoption of more environmentally friendly building systems, technologies, and construction practices within New Jersey.

The program was approved by the NJEDA Board at the November 2023 board meeting, with

applications opening on April 22, 2024. The program was originally only eligible for existing commercial buildings within the three pilot communities but expanded eligibility per Board approval in October 2024 to also include existing industrial and institutional buildings within these municipalities. Additionally, in May 2025, the program expanded geographic eligibility into all OBCs and formally designated Adjacent communities census blocks recognized per New Jersey Environmental Justice Law.

The NJ Cool team continues to conduct outreach for the program. A targeted mail campaign was distributed to approximately 360 commercial properties in Newark, Edison, and Atlantic City listed on the Board of Public Utilities Commercial Building Mandatory Benchmarking list. Other outreach efforts include presenting at a mix of in-person and virtual events, networking at other industry conferences, issuing social media posts and press releases, and sending targeted emails to relevant stakeholders (contractors, community/industry groups, real estate owners, and municipal government officials). The team also hosts 1-on-1 meetings with interested applicants to outline the program requirements and discuss potential projects. In addition to the applications received thus far, the program has developed a strong pipeline of applicants who expressed interest in submitting projects to the program in the near term.

On September 22, the NJ Cool team requested the Chief Executive Officer's approval, via Board approved delegation of authority, for utilization of an additional \$15,000,000 reserved from New Jersey Economic Development Authority's (NJEDA) allocation of the 2023-2025 Regional Greenhouse Gas Initiative (RGGI) auction proceeds to continue to capitalize the NJ Cool Program. The request is being processed by NJDEP.

NJ Cool – Q3 2025 Review

In Q3 2025, thirteen (13) new NJ Cool applications were approved, see table below:

NJ Cool Application Approvals in Q3 2025			
PROD #	Applicant Entity	Grant Award	Approval Date
PROD-00319437	256 HM LLC	\$135,930	7/9/2025
PROD-00320595	4 Leonard Realty LLC	\$164,000	8/8/2025
PROD-00320767	P & S Medical Group	\$227,000.00	7/14/2025
PROD-00320771	Shri Nilkanthvarni Food LLC	\$235,750.00	7/23/2025
PROD-00321589	PSM101 LLC (DBA Center Point)	\$263,350.00	8/15/2025
PROD-00321623	Paramus Route 17 Holdings LLC	\$1,000,000.00	8/8/2025
PROD-00321709	VD at Randolph LLC (DBA Dunkin' Donuts)	\$261,500.00	7/23/2025
PROD-00321881	Edison Plaza Realty LLC	\$1,000,000.00	8/26/2025
PROD-00321909	FOI at Somerville LLC	\$208,000.00	9/16/2025
PROD-00321941	Desapio Properties # Seven, LLC	\$327,640.00	9/9/2025
PROD-00321970	456 Nordhoff Holdings LLC	\$1,000,000.00	9/26/2025

PROD-00322168	Leap Academy University Charter School	\$143,854.00	9/25/2025
PROD-00322357	The Offices at Crystal Lake, LLC	\$750,732.00	9/19/2025
	Total	\$5,717,756	

In Q3 2025, two (2) NJ Cool disbursement payments were completed, see table below:

NJ Cool Completed Projects in Q3 2025				
PROD #	Applicant Entity	Grant Award	Disbursement Amount	Date
PROD-00320593	Yamna LLC	\$135,220	\$39,000	9/29/2025
PROD-00320767	P & S Medical Group	\$227,000	\$113,500	9/30/2025
Total			\$152,500	

Garden State C-PACE

In August 2021, Governor Murphy signed P.L. 2021, c. 201 into law (N.J.S.A. 34:1B-374 -382) authorizing the establishment of the Garden State C-PACE Program in New Jersey and directing the New Jersey Economic Development Authority (“NJEDA” or “Authority”) to develop guidelines for the Garden State C-PACE Program, which are to include the standard forms of documentation to be used for the administration of the Program , and to implement, administer, and oversee the Program. Projects financed through the Program are secured by a special assessment lien on the improved real property, which is repaid in installments over time. Like other special assessments, a C-PACE Assessment is a non-accelerating, senior lien secured by the property. The repayment obligation transfers automatically to the next owner if the property is sold and, in the event of default, only the payments in arrears are due, i.e., the underlying loan cannot be accelerated. There is no minimum or maximum dollar amount for C-PACE transactions. Rather, there are percentage caps of 100% of eligible improvements for Retrofit projects and 35% LTV for new construction.

As there are no public dollars involved in this program, there is delegated authority to the Director of Clean Energy and above to approve of all applicants and to enter into agreements accordingly.

The Program was approved by the NJEDA Board at the October 2024 meeting, with applications for Participating Municipalities opening in December 2024, the application for Qualified Capital Providers and Qualified Technical Reviewers opening in June 2025, and the project application opening on July 30, 2025.

See below for application submissions in Q3 2025:

Garden State C-PACE – Q3 2025 Review

Garden State C-PACE Application Approvals in Q3 2025			
Application Type	Record #	Applicant Entity	Approval Date
Project	PROD-00322664	359 Main Street Partners	Not yet approved
Municipality	PROJ-0234526	Montclair Township	8/21/2025
Municipality	PROJ-0234037	Township of Lakewood	7/10/2025
Tech. Reviewer	PROJ-0234481	Square K Energy Solution	8/28/2025
Tech. Reviewer	PROJ-0234231	EE Consultants	7/25/2025
Tech. Reviewer	PROJ-0233001	Asset Environments	7/21/2025
Cap. Provider	PROJ-0232995	PLG Finance	6/25/2025*
Cap. Provider	PROJ-0232943	Petro PACE Finance	6/13/2025*

*Applied in Q2 but not documented in previous memo.

Manufacturing, Incentives & Tax Credits (MIT)

Manufacturing, Incentives & Tax Credits manages a suite of products designed to support the growth of the State's economy with a focus on strategic sectors.

New Jersey Film and Digital Media Tax Credit Program

Originally created under the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, the New Jersey Film and Digital Media Tax Credit Program provides a credit against the corporation business tax and the gross income tax for certain expenses incurred for the production of certain films and digital media content in New Jersey. Under the Film Tax Credit Program, applicants are eligible for a tax credit equal to 35% of qualified film production expenses, or 30% of qualified film production expenses incurred for services performed and tangible personal property purchased for at a sound stage or other 30-mile radius of the intersection of Eighth Avenue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New, New York. Under the Digital Media Tax Credit Program, applicants are eligible for 30% of qualified digital media production expenses and 35% for qualified digital media production expenses purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County.

On April 13, 2022, the Board approved the delegations of authority for the New Jersey Film and Digital Media Tax Credit Program. Film Tax Credit applications seeking \$10 million or less, and Digital Media Tax Credit applications seeking \$3 million or less in tax credits can be approved under the updated delegations of authority.

On November 18, 2024, the Board approved an update to the delegation of authority for the Film and Digital Media Tax Credit Program to allow the Chief Executive Officer or his or her delegate to reallocate up to \$100,000,000 of the available film tax credit allocation to the digital media tax credit allocation as needed for each digital media project approval.

New Jersey Film and Digital Media Tax Credit Program – Q3 2025 Review

In the third quarter of 2025, there were 8 film tax credit applications approved under delegated authority for a total of \$15,913,854.

	Applicant Name	PROD #	Award Amount	Approval Date
1	GCB AMPLIFIED MARKETING PARTNERSHIPS, LLC	PROD-00318510	\$1,051,764.00	7/10/2025
2	Op Fast Film, LLC	PROD-00320533	\$389,053.00	7/16/2025
3	Gowanus Industries, LLC	PROD-00320131	\$5,028,227.00	7/24/2025
4	Flower Movie, LLC	PROD-00318729	\$2,670,287.00	7/25/2025
5	GOOD BANH MI LLC	PROD-00320596	\$129,004.00	7/28/2025
6	1783 CV LLC	PROD-00320130	\$768,034.00	8/4/2025
7	Stadium Pictures LLC	PROD-00319434	\$ 990,532.00	8/11/2025
8	That Tracks, Inc.	PROD-00319622	\$4,886,953.00	9/16/2025
FILM TOTAL			\$15,913,854.	

In the third quarter of 2025, there were two digital media application approved under delegated authority.

Digital Media Tax Credit – Q2 2025 Approvals				
	Applicant Name	PROD #	Award Amount	Approval Date
1	AGAIN INTERACTIVE	PROD-00314766	\$698,977	9/11/2025
2	AGAIN INTERACTIVE	PROD-00315765	\$640,826	9/19/2025
DIGITAL MEDIA TOTAL			\$1,339,803	

New Jersey RISE Program

On July 21, 2023, the New Jersey State Legislature passed and Governor Phil Murphy approved P.L.2023, c.125 (“Chapter 125”), which included a pilot grant program, to be administered by the New Jersey Economic Development Authority (EDA), to provide grants to businesses principally located outside of New Jersey that re-assign New Jersey residents that are currently assigned to work in a state with “convenience of the employer” income taxation to work in New Jersey locations.

On March 7, 2024, the Board approved the pilot program, policies and specs. NJ RISE provides grants to businesses principally located in another state to re-assign employees who are New Jersey residents assigned to work at locations in a state that uses the “convenience of the employer” income taxation to work at New Jersey locations. The grant is equal to the amount of New Jersey Gross Income Tax withholdings of the re-assigned resident employees during one tax year of the business, not to exceed \$500,000 in the aggregate per business.

The sum of all grants approved will not exceed \$10 million until the program end date on July 1, 2028. Detailed program specifications, including definitions for capitalized terms, are attached.

New Jersey RISE Program- Q3 2025 Review

Since the launch of the program in 2024, we have received a total of 4 submitted applications. From those received applications, one application was approved, while another one was closed for the second quarter of 2025.

Application Organization	Tax Year Applied	NJRISE Award	Application Status
ITI, Inc	2025	\$500,000.00	2025 Q2 Closed
SDG Mgmt Company, LLC	2026	\$307,470.00	2024 Q4
Moody's Analytics, Inc	2025	\$500,000.00	2025 Q3 Closed
Total:		\$1,307,470.00	
L.J. Altfest & Company, Inc	2025	\$51,428.00	2025 Q1 Withdrawn

New Jersey Manufacturing Voucher Program (NJ MVP)

On October 12, 2022, the NJEDA Board approved the New Jersey Manufacturing Voucher Program (NJ MVP). The New Jersey Manufacturing Voucher Program will provide equipment grants sized at 30% – 50% of the cost of the eligible equipment (including installation) up to a maximum award amount of \$250,000. The Program will target the State's manufacturers within targeted industries that will purchase equipment that integrate advanced or innovative technologies, processes, and materials to improve the manufacturing of products. The Program will offer bonuses focused on certified women, minority, veteran owned businesses (W/M/V/BE), opportunity zones, purchasing manufacturing equipment in New Jersey as well as bonuses for companies that have a collective bargaining agreement in place. NJ MVP is also committed to supporting small businesses by awarding manufacturers with under 100 Full Time Equivalent employees (FTE), higher award percentages. In addition, applications will be accepted on a rolling basis and remain open until all funds are committed.

On March 8, 2023, the Board approved to increase the available funding from \$20,000,000 to \$33,750,00 less \$1 million for administrative expenses available to support New Jersey manufacturers' access to manufacturing equipment needed to become more efficient, productive, and profitable.

New Jersey Manufacturing Voucher Program Phase 1 (NJ MVP) – Q3 2025 Review

The NJ MVP application launched on March 8, 2023, and the Authority received 267 applications as of May 1, 2023, totaling \$37,625,049.28. Applications received beyond the available funding (\$33.75M) that were placed on a waitlist, were reviewed, processed, and if needed, are eligible to be funded with the utilization of up to \$4,000,000 of the \$20,000,000 from funds from the Fiscal Year 2024 (FY2024) budget to capitalize NJ MVP, New Jersey Manufacturing Voucher Program Phase 2.

Below is a list of all NJ MVP Phase 1 applications that were disbursed under delegated authority during the third quarter of 2025.

NJMVP Phase 1 - Q3 2025 Disbursements		
Applicant Name	Amount	Disbursement Date
Badger Metal & Machine Fabrication, LLC	\$61,687.85	7/21/2025
GA Productions LLC	\$134,007.20	7/31/2025
Paragon Flavors, Inc.	\$74,235.00	7/31/2025
SOUTH JERSEY PAINT AND GLASS CO.	\$75,915.00	8/6/2025
Carl Stahl Sava Industries, Inc.	\$102,700.50	8/21/2025
Glenmar Technology	\$13,348.17	9/17/2025
Total	\$461,893.72	

New Jersey Manufacturing Voucher Program Phase 2 (NJ MVP)

On June 30, 2023, Governor Phil Murphy allocated \$20 million from the Fiscal Year 2024 budget to continue to boost the New Jersey Economic Development Authority's (NJEDA) New Jersey Manufacturing Voucher Program (MVP).

The New Jersey Manufacturing Voucher Program (NJ MVP) Phase 2 will provide a reimbursement of equipment costs sized at 30% – 50% of the cost of the eligible equipment (including installation) up to a maximum award amount of \$250,000. The Program will target the State's priority sectors and manufacturers that will purchase equipment that integrate advanced or innovative technologies, processes, and materials to improve the manufacturing of products. The Program will also offer bonuses for eligible applicants that are New Jersey certified women, minority, or veteran owned businesses (W/M/V/BE), that are located in opportunity zone eligible census tracks, that are purchasing manufacturing equipment manufactured or assembled in New Jersey, have a collective bargaining agreement in place, and for manufacturers with fifty (50) or less FTEs. NJ MVP is also committed to supporting small businesses by awarding manufacturers with 100 or less Full Time Equivalent (FTE) employees higher award percentages. Companies with 100 FTEs or less are capped at 50% of the award. Companies with employees over 100 FTE are capped at 40% of the award. The maximum award amount is \$250,000.

New Jersey Manufacturing Voucher Program Phase 2 (NJ MVP) – Q3 2025 Review

The NJ MVP Phase 2 application launched on February 12, 2024, and the Authority received 142 applications totaling \$24,437,271.47. Applications received beyond the available funding were placed on a waitlist and will be reviewed and processed as funding becomes available.

Below is a list of all NJ MVP Phase 2 applications that were approved, withdrawn, terminated, or disbursed under delegated authority during the third quarter of 2025.

NJMVP Phase 2 - Q3 2025 Approvals		
Applicant Name	Amount	Approval Date
OCIM Pharmaceutical LLC	\$18,071.11	9/22/2025
Total		\$18,071.11

NJMVP Phase 2 - Q3 2025 Withdrawals		
Applicant Name	Amount	Withdrawn Date
Tarr Metal Works, LLC	\$57,768.90	9/19/2025
Total		\$57,768.90

NJMVP Phase 2 - Q3 2025 Terminations		
Applicant Name	Amount	Terminated Date
Musculoskeletal Transplant Foundation, Inc.	\$250,000.00	7/23/2025
K M MEDIA GROUP LLC	\$250,000.00	7/23/2025
Total		\$500,000.00

NJMVP Phase 2 - Q3 2025 Disbursements		
Applicant Name	Amount	Disbursement Date
Holland Manufacturing Company	\$250,000.00	7/8/2025
Orgo-Thermit, Inc.	\$71,100.00	7/10/2025
Organic Food Incubator INC	\$40,744.00	7/21/2025
HOT MELT EQUIPMENT LLC	\$94,704.08	7/22/2025
Fundamental Elevator Solutions LLC	\$180,310.96	7/31/2025
HOLOCRAFT CORPORATION	\$250,000.00	7/31/2025
Migali Industries, Inc.	\$250,000.00	7/31/2025
TABATCHNICK FINE FOODS, INC	\$250,000.00	8/6/2025
TNM COMPONENTS LLC	\$52,190.20	8/8/2025
DARUSH LLC	\$189,724.75	8/12/2025
DENAKA PARTNERS, L.P.	\$250,000.00	8/22/2025
The Inventors Shop LLC	\$250,000.00	8/27/2025
The Snackatere NJ Incorporated	\$43,330.00	8/27/2025
Tri-Power Design, LLC	\$37,843.75	8/29/2025

DiveDesign	\$70,000.00	9/8/2025
VQ TECHNOLOGIES LLC	\$102,000.00	9/29/2025
Total	\$2,381,947.74	

New Jersey Manufacturing Voucher Program Phase 3 (NJ MVP)

On June 30, 2024, Governor Phil Murphy allocated \$10 million from the Fiscal Year 2025 budget to continue to boost the New Jersey Economic Development Authority's (NJEDA) New Jersey Manufacturing Voucher Program (MVP).

The New Jersey Manufacturing Voucher Program (NJ MVP) Phase 3 will provide a reimbursement of equipment costs sized at 30% – 50% of the cost of the eligible equipment (including installation) up to a maximum award amount of \$250,000. The Program will target the State's priority sectors and manufacturers that will purchase equipment that integrate advanced or innovative technologies, processes, and materials to improve the manufacturing of products. The Program will also offer bonuses for eligible applicants that are New Jersey certified women, minority, or veteran owned businesses (W/M/V/BE), that are located in opportunity zone eligible census tracks, that are purchasing manufacturing equipment manufactured or assembled in New Jersey, have a collective bargaining agreement in place, and for manufacturers with fifty (50) or less FTEs. NJ MVP is also committed to supporting small businesses by awarding manufacturers with 100 or less Full Time Equivalent (FTE) employees higher award percentages. Companies with 100 FTEs or less are capped at 50% of the award. Companies with employees over 100 FTE are capped at 40% of the award. The maximum award amount is \$250,000.

New to NJ MVP 3; to ensure equitable access to funding, Phase 3 applications were prioritized for new applicants who have not previously or will not be awarded grants under Phase 1 or Phase 2 (based on EIN) during the initial two-week application period. Following that period, all eligible businesses would have had the opportunity to apply for funding, subject to available resources.

New Jersey Manufacturing Voucher Program Phase 3 (NJ MVP) – Q3 2025 Review

The NJ MVP Phase 3 application launched on February 19, 2025, and the Authority received 66 applications totaling \$9,255,571.44. Applications received beyond the available funding were placed on a waitlist and will be reviewed and processed as funding becomes available.

Below is a list of all NJ MVP Phase 3 applications that were approved, withdrawn, declined, or disbursed; under delegated authority during the third quarter of 2025.

NJMVP Phase 3 - Q3 2025 Approvals		
Applicant Name	Amount	Approval Date
PolyGone Systems, Inc.	\$84,379.20	7/3/2025
Techflex, Inc.	\$233,585.95	7/3/2025
CARTESIAN MACHINING, LLC	\$58,503.00	7/3/2025
Mesorah Publications Ltd	\$250,000.00	7/11/2025

Integra LifeSciences Corporation	\$250,000.00	7/15/2025
Morgan Advanced Ceramics Inc	\$54,744.00	7/16/2025
American Van Equipment, LLC	\$146,905.46	7/21/2025
M&B Packaging NJ Inc	\$213,196.20	7/22/2025
Kreisler Industrial Corporation	\$250,000.00	7/31/2025
Markyt Bag Inc	\$25,200.00	7/31/2025
Triad RF Systems Inc	\$76,835.09	8/11/2025
Griffys Organics LLC	\$127,055.00	8/11/2025
Motory Cinema Services LLC	\$97,593.80	8/18/2025
IPAK, Inc.	\$120,891.29	8/29/2025
Allied Plastics Holdings, LLC	\$161,008.00	8/29/2025
Poly-Dyn International LLC	\$90,380.59	8/29/2025
Procedyne Corp.	\$219,084.00	8/29/2025
Coatney Craft LLC	\$68,203.10	8/29/2025
Picaboo Yearbooks Incorporated	\$250,000.00	9/5/2025
Passaic Rubber Company	\$250,000.00	9/9/2025
VERMES MACHINE COMPANY, INC.	\$209,102.40	9/9/2025
GreenBlu Incorporated	\$250,000.00	9/16/2025
BodyBio Inc.	\$179,525.42	9/23/2025
Made Scientific, Inc.	\$250,000.00	9/25/2025
American Nut Manufacturing	\$91,640.50	9/30/2025
Total	\$4,007,833.00	

NJMVP Phase 3 - Q3 2025 Withdrawals		
Applicant Name	Amount	Withdrawn Date
Arthur Schuster, LLC	\$189,958.65	9/18/2025
J and E bakery and deli corporation	\$57,250.36	9/18/2025
Total		\$247,209.01

NJMVP Phase 3 - Q3 2025 Declinations		
Applicant Name	Amount	Declined Date
CIBAO MEAT PRODUCTS, INC.	\$65,482.50	8/7/2025
Total		\$65,482.50

NJMVP Phase 3 - Q3 2025 Disbursements		
Applicant Name	Amount	Disbursement Date
Food Fusion NJ LLC	\$127,645.00	7/24/2025
Elidan Corp	\$44,274.41	7/31/2025
Miller Fabricators Inc	\$30,525.75	7/31/2025

DELICE GLOBAL INC	\$99,669.50	8/15/2025
Osteogene Tech, Corp.	\$13,343.74	8/29/2025
In Print LLC	\$36,090.00	8/29/2025
Total	\$351,548.40	



Tim Sullivan, CEO

Technology Innovation Products

Angel Investor Tax Credit Prepared by: Abdelrhman Seliman

NJ Ignite Prepared by: Sara Caddedu

NJ Accelerate Prepared by: Sara Caddedu

Angel Match Program Prepared by: Monika Athwal

NJ Entrepreneur Support Program Prepared by: Monika Athwal

Venture Products

NJ Innovation Fellows Prepared by: Michelle Martinez

New Jersey Innovation Evergreen Fund Prepared by: Deven Patel

New Jersey Founders & Funders Prepared by: Milton Urgiles

Clean Energy Products

New Jersey Zero-emission Incentive Program Prepared by: Lina Rivetti

New Jersey Clean Energy Loans Prepared by: Sebastian Gunbeyi

NJ Cool Prepared By: Lloyd Lomelino

Garden State C-PACE Prepared By: Max Frank

Manufacturing, Incentives & Tax Credits (MIT)

New Jersey Film and Digital Media Tax Credit Program Prepared by: Matthew Sestrich

New Jersey Manufacturing Voucher Program Prepared by: Gene Palermo

Memo Prepared by: Abdelrhman Seliman, Monika Athwal, Clark Smith

Attachments: Exhibits A, B, C

EXHIBIT A
Q3 2025 Delegated Approvals - Angel Investor Tax Credit

Product	Applicant	Employees in NJ	Company	Investment	Tax Credit Amount
PROD-00317924	Madeleine Lapuerta		4M Therapeutics Inc.	\$10,000	\$2,000
PROD-00317936	Adam Plumton Closson		4M Therapeutics Inc.	\$25,000	\$5,000
	2	NJ: 1 Total: 1	4M Therapeutics Inc.	\$35,000	\$7,000
PROD-00319327	STRATA Trust Company Custodian FBO Dante Anthony Implicit IRA #300007928		Acuitive Technologies, Inc.	\$100,000	\$20,000
PROD-00319329	Sarah B Kelly		Acuitive Technologies, Inc.	\$250,000	\$50,000
PROD-00318116	Michael McCarthy		Acuitive Technologies, Inc.	\$1,210,000	\$242,000
PROD-00319325	Vincent Forlenza		Acuitive Technologies, Inc.	\$500,000	\$100,000
PROD-00318178	James E. Malayter		Acuitive Technologies, Inc.	\$165,000	\$33,000
PROD-00316762	Paul Bryan Maloof		Acuitive Technologies, Inc.	\$100,000	\$20,000
	6	NJ: 26 Total: 27	Acuitive Technologies, Inc.	\$2,325,000	\$465,000
PROD-00317917	iXLife SAS		AGEless Biotechnologies, Inc.	\$499,990	\$99,998
	1	NJ: 1 Total: 1	AGEless Biotechnologies, Inc.	\$499,990	\$99,998
PROD-00322151	Dan Li		AlphaROC, Inc.	\$99,997	\$24,999
PROD-00322167	Ian Weber		AlphaROC, Inc.	\$24,997	\$6,249
PROD-00322160	Daniel Barzideh		AlphaROC, Inc.	\$200,000	\$50,000
PROD-00322158	Jose F. Gonzalez-Heres		AlphaROC, Inc.	\$25,000	\$6,250
PROD-00322156	Ari Barz		AlphaROC, Inc.	\$199,999	\$50,000
PROD-00322166	Ari Fox		AlphaROC, Inc.	\$24,998	\$6,250
PROD-00322165	Donald Leitch Revocable Trust		AlphaROC, Inc.	\$109,997	\$27,499
	7	NJ: 14 Total: 16	AlphaROC, Inc.	\$684,988	\$171,247

PROD-00316545	Lori Silverman Trustee, Gregory Silverman Trust, U/A dtd 12/31/1998		Balcony Technology Group, Inc.	\$150,000	\$30,000
PROD-00316544	The Samantha C. Silverman Irrevocable Trust		Balcony Technology Group, Inc.	\$150,000	\$30,000
PROD-00316538	The Andrew M. Gottsegen 2020 Family Trust		Balcony Technology Group, Inc.	\$75,000	\$15,000
PROD-00316551	Marc Perel		Balcony Technology Group, Inc.	\$100,000	\$20,000
	4	NJ: 1 Total: 1	Balcony Technology Group, Inc.	\$475,000	\$95,000
PROD-00316028	Brigitte Marie- Louise Chartier Lemoine		Curio Digital Therapeutics Inc.	\$28,984	\$5,797
	1	NJ: 1 Total: 1	Curio Digital Therapeutics Inc.	\$28,984	\$5,797
PROD-00316505	Harborock LTD		Endomedix, Inc.	\$25,000	\$5,000
PROD-00315208	Golden Seeds Endomedix LLC		Endomedix, Inc.	\$177,500	\$35,500
PROD-00316515	CTAN Sidecar Fund 2024, A Series of CTAN Sidecar Master Fund LLC		Endomedix, Inc.	\$100,000	\$20,000
PROD-00316707	Orbit Investment Group LLC		Endomedix, Inc.	\$25,000	\$5,000
PROD-00316517	Dev Yogeshkumar Vashi Devangi Jagdish Jajal		Endomedix, Inc.	\$10,000	\$2,000
PROD-00318440	John McAuliffe		Endomedix, Inc.	\$25,000	\$5,000
	6	NJ: 4 Total: 4	Endomedix, Inc.	\$362,500	\$72,500
PROD-00315844	Algol s.r.l.		Evergreen Theragnostics, Inc.	\$49,997	\$9,999
	1	NJ: 55 Total: 58	Evergreen Theragnostics, Inc.	\$49,997	\$9,999
PROD-00317231	Beaudoin 2012 Dynasty Trust		Halcyon Still Water LLC	\$600,000	\$120,000
PROD-00317995	GREGORY PHILIP DOMENICUCCI		Halcyon Still Water LLC	\$13,261	\$2,652
PROD-00318846	Norman and Donna Beretta		Halcyon Still Water, LLC	\$300,000	\$60,000

PROD-00319614	Feliks Viner		Halcyon Still Water, LLC	\$100,000	\$20,000
PROD-00320581	BFF Investments LLC		Halcyon Still Water, LLC	\$47,000	\$9,400
PROD-00315442	Freed Holding Company, LLC		Halcyon Still Water, LLC	\$100,000	\$20,000
PROD-00317994	Thomas J. Sanzone Revocable Trust		Halcyon Still Water, LLC	\$133,481	\$26,696
PROD-00318009	Robert Caulfield		Halcyon Still Water, LLC	\$12,121	\$2,424
PROD-00317996	Thomas J. Sanzone Revocable Trust		Halcyon Still Water, LLC	\$49,516	\$9,903
PROD-00318110	Michael Gerard Maguire		Halcyon Still Water, LLC	\$10,000	\$2,000
PROD-00318817	Emanuele Mangiafico		Halcyon Still Water, LLC	\$50,000	\$10,000
PROD-00318989	Arthur K Mark		Halcyon Still Water, LLC	\$12,121	\$2,424
PROD-00318008	Thomas G. Miglis Revocable Trust		Halcyon Still Water, LLC	\$49,516	\$9,903
PROD-00315141	TMC SPV-8 LLC		Halcyon Still Water, LLC	\$295,000	\$59,000
PROD-00317937	Thomas G. Miglis Revocable Trust		Halcyon Still Water, LLC	\$133,842	\$26,768
PROD-00318443	Feliks Viner		Halcyon Still Water, LLC	\$54,000	\$10,800
PROD-00318193	Feliks Viner		Halcyon Still Water, LLC	\$60,000	\$12,000
	17	NJ: 14 Total: 17	Halcyon Still Water, LLC	\$ 2,019,859.00	\$ 403,970.00
PROD-00317874	Milind M. Bhanoo		ImageProVision, Inc	\$800,000	\$200,000
	1	NJ: 1 Total: 1	ImageProVision, Inc	\$800,000	\$200,000
PROD-00316708	Roadrunner Studios Holdings New Mexico LLC		Inaedis, Inc.	\$500,000	\$100,000
	1	NJ: 1 Total: 1	Inaedis, Inc.	\$500,000	\$100,000
PROD-00318578	Brenda Loncke		Kenyi Technologies Inc.	\$100,000	\$25,000
PROD-00318579	Brenda Loncke		Kenyi Technologies Inc.	\$122,800	\$30,700

	2	NJ: 4	Total: 4	Kenyi Technologies Inc.	\$222,800	\$55,700
PROD-00319090	Luby Family Trust dtd 12/22/03			Mortgage Automation Technologies Inc	\$100,000	\$20,000
PROD-00318920	Christopher Spagnuola			Mortgage Automation Technologies Inc	\$25,000	\$5,000
PROD-00318566	Raimonds Kuplaste			Mortgage Automation Technologies Inc	\$100,000	\$20,000
PROD-00322280	David Redling			Mortgage Automation Technologies Inc	\$50,000	\$10,000
PROD-00316763	John T Frost Revocable Trust			MORTGAGE AUTOMATION TECHNOLOGIES INC	\$100,000	\$20,000
	5	NJ: 15	Total: 18	Mortgage Automation Technologies Inc	\$375,000	\$75,000
PROD-00315449	SS 2023 NV Descendants Trust			Nevakar, Inc.	\$100,000	\$20,000
PROD-00317579	GM9 LLC			Nevakar, Inc.	\$1,250,000	\$250,000
PROD-00317544	Navdeep K Sandhu			Nevakar, Inc.	\$100,000	\$20,000
PROD-00317580	GM9 LLC			Nevakar, Inc.	\$1,250,000	\$250,000
PROD-00315454	Sauerteig Family Holdings LLC			Nevakar, Inc.	\$100,000	\$20,000
PROD-00317559	Hampl Family Investments LLC			Nevakar, Inc.	\$250,000	\$50,000
PROD-00317403	ASHOK G NIGALAYE			Nevakar, Inc.	\$200,000	\$40,000
PROD-00317929	Rajiv Sharma			Nevakar, Inc.	\$500,000	\$100,000
PROD-00316709	Werth Family Investment Associates LLC			Nevakar, Inc.	\$100,000	\$20,000
PROD-00316856	Wasil Family Ventures			Nevakar, Inc.	\$100,000	\$20,000
PROD-00315510	RK Group LLC			Nevakar, Inc.	\$100,000	\$20,000
	11	NJ: 26	Total: 33	Nevakar, Inc.	\$4,050,000	\$810,000
PROD-00318855	Tak Kwan			Orcosa, Inc.	\$300,000	\$60,000
PROD-00318856	Thomas Kim			Orcosa, Inc.	\$300,000	\$60,000
PROD-00318986	Robert Frankil			Orcosa, Inc.	\$50,000	\$10,000
PROD-00318765	Gilbert Winn			Orcosa, Inc.	\$100,000	\$20,000

PROD-00318445	Joseph Garvey		Orcosa, Inc.	\$250,000	\$50,000
PROD-00318764	Nancy A. Shaich 2002 Revocable Trust		Orcosa, Inc.	\$150,000	\$30,000
PROD-00318446	Antony Campagne		Orcosa, Inc.	\$250,000	\$50,000
	7	NJ: 7 Total: 8	Orcosa, Inc.	\$1,400,000	\$280,000
PROD-00318759	Jason Kim		Osteogene Tech, Corp.	\$1,000,000	\$250,000
PROD-00318760	Yoon Hee Lee and Jung Eui Lee		Osteogene Tech, Corp.	\$200,200	\$50,050
PROD-00318280	Young Kil Kim & Sun Chong Kim, h/w		Osteogene Tech, Corp.	\$499,998	\$100,000
PROD-00318381	Dongwoo Sohn		Osteogene Tech, Corp.	\$110,000	\$22,000
	4	NJ: 7 Total: 7	Osteogene Tech, Corp.	\$1,810,198	\$422,050
PROD-00315006	PureLi 2023 a Series of PAA Master Fund LLC		Princeton Critical Minerals, Inc.	\$230,000	\$57,500
	1	NJ: 1 Total: 1	Princeton Critical Minerals, Inc.	\$230,000	\$57,500
PROD-00315092	Golden Seeds Princeton Identity LLC		Princeton Identity, Inc.	\$155,000	\$31,000
	1	NJ: 13 Total: 15	Princeton Identity, Inc.	\$155,000	\$31,000
PROD-00318010	SVIC NO.68 NEW TECHNOLOGY BUSINESS INVESTMENT L.L.P.		Princeton NuEnergy, Inc.	\$1,499,984	\$299,997
PROD-00317546	Hesham Almahmoud		Princeton NuEnergy, Inc.	\$100,000	\$25,000
PROD-00314106	Wistron Corporation		Princeton NuEnergy, Inc.	\$5,999,984	\$500,000
	3	NJ: 15 Total: 19	Princeton NuEnergy, Inc.	\$7,599,968	\$824,997
PROD-00320611	Himanshu Sadana		Real Estate Innovators, Inc.	\$25,000	\$6,250
PROD-00318216	Richard Vaaje		Real Estate Innovators, Inc.	\$20,000	\$4,000
PROD-00315858	Leah K. Dillon		Real Estate Innovators, Inc.	\$50,000	\$10,000
	3	NJ: 1 Total: 1	Real Estate Innovators, Inc.	\$95,000	\$20,250
PROD-00316954	Transone Cloud LLC		RICOVR Healthcare, Inc.	\$25,000	\$5,000

PROD-00317134	Thomas P. Hirschfeld		RICOVR Healthcare, Inc.	\$50,000	\$10,000
PROD-00317592	WGD Opportunity Fund, L.P.		RICOVR Healthcare, Inc.	\$200,000	\$40,000
PROD-00316549	MAKEFIELD VENTURES LLC		RICOVR Healthcare, Inc.	\$25,000	\$5,000
PROD-00318245	John McCarthy		RICOVR Healthcare, Inc.	\$40,000	\$8,000
PROD-00318243	Milind R Shah		RICOVR Healthcare, Inc.	\$20,000	\$4,000
PROD-00316759	Windsor Securities LLC		RICOVR Healthcare, Inc.	\$800,000	\$160,000
PROD-00318244	Kunal Binod Singhania		RICOVR Healthcare, Inc.	\$25,000	\$5,000
	8	NJ: 6 Total: 8	RICOVR Healthcare, Inc.	\$1,185,000	\$237,000
PROD-00314111	Prashant Patel		Small Joys Technologies Inc	\$120,000	\$24,000
PROD-00314112	INCUSOL INC		Small Joys Technologies Inc	\$50,000	\$10,000
PROD-00318565	Kumar Bharatbhai Patel		Small Joys Technologies Inc	\$50,000	\$10,000
	3	NJ: 1 Total: 1	Small Joys Technologies Inc	\$220,000	\$44,000
PROD-00318061	Tech Council Ventures II LP		SunRay Scientific Inc.	\$80,020	\$20,005
PROD-00318722	Delaware Crossing - Sunray LLC		SunRay Scientific Inc.	\$45,000	\$11,250
PROD-00318029	Joseph Spivack		SunRay Scientific Inc.	\$3,585	\$896
PROD-00318222	Anantha Narayanan Desikan		SunRay Scientific Inc.	\$10,000	\$2,500
PROD-00318078	MK Fund LLC		SunRay Scientific Inc.	\$40,000	\$10,000
PROD-00317610	Valmar & Associates, LLC		SunRay Scientific Inc.	\$100,000	\$25,000
PROD-00317925	Imran Chaudhri Living Trust Date 5/19/2017		SunRay Scientific Inc.	\$14,000	\$3,500
PROD-00317612	The Field Holding Company LLC		SunRay Scientific Inc.	\$12,500	\$3,125
PROD-00317606	Rick Finkel LLC		SunRay Scientific Inc.	\$25,000	\$6,250

PROD-00318214	DHRUV P SHAH I TR		SunRay Scientific Inc.	\$25,000	\$6,250
PROD-00317608	Amala Ventures LLC		SunRay Scientific Inc.	\$10,000	\$2,500
PROD-00318013	ROTH IRA FBO Richard Williams		SunRay Scientific Inc.	\$30,000	\$7,500
PROD-00318278	AltoIRA Custodian FBO Charles Cassidy SEP IRA		SunRay Scientific Inc.	\$30,000	\$7,500
PROD-00318754	Sheryl WuDunn		SunRay Scientific Inc.	\$5,200	\$1,300
	14	NJ: 16 Total: 17	SunRay Scientific Inc.	\$430,305	\$107,576
PROD-00317383	Syven Capital LP		Thinkster Learning, Inc	\$200,000	\$40,000
	1	NJ: 10 Total: 10	Thinkster Learning, Inc	\$200,000	\$40,000
PROD-00318238	Emerald Investor Group II LLC Series TrueFort 2024		Truefort Inc	\$999,998	\$200,000
PROD-00318031	Rajesh Patil		Truefort Inc	\$250,000	\$50,000
	2	NJ: 28 Total: 36	Truefort Inc	\$1,249,998	\$250,000
PROD-00318912	AMI A PAREKH		Ubuntu Research, Inc.	\$50,000	\$12,500
PROD-00318574	Manan Gautambhai Patel		Ubuntu Research, Inc.	\$50,000	\$12,500
PROD-00318559	Vaishali Shah		Ubuntu Research, Inc.	\$50,000	\$12,500
PROD-00318570	Manan M. Patel		Ubuntu Research, Inc.	\$50,000	\$12,500
PROD-00318575	Hemal Shah		Ubuntu Research, Inc.	\$25,000	\$6,250
PROD-00318758	Trupti Shah		Ubuntu Research, Inc.	\$25,000	\$6,250
PROD-00318560	Mayank Shah		Ubuntu Research, Inc.	\$50,000	\$12,500
PROD-00318984	Dhiren Mehta		Ubuntu Research, Inc.	\$50,000	\$12,500
	8	NJ: 2 Total: 2	Ubuntu Research, Inc.	\$350,000	\$87,500
PROD-00318183	Dan Vickery and Carolyn Myers		Vaneltix Pharma Inc	\$120,000	\$30,000

PROD-00318113	C. Lowell Parsons		Vaneltix Pharma Inc	\$125,000	\$31,250
PROD-00317687	Marmora Holdings LLC		Vaneltix Pharma Inc	\$20,000	\$5,000
PROD-00316794	Adam Hurst		Vaneltix Pharma Inc	\$30,000	\$7,500
	4	NJ: 2 Total: 2	Vaneltix Pharma Inc	\$295,000	\$73,750
PROD-00317122	Manifest Capital Group, Inc.		vipHomeLink Holdings, Inc.	\$532,500	\$106,500
	1	NJ: 6 Total: 8	vipHomeLink Holdings, Inc.	\$532,500	\$106,500
Grand Total	125			\$28,182,087	\$5,153,334

Q3 2025 Delegated Declinations - Angel Investor Tax Credit

Product	Applicant	Company	Investment	Tax Credit Amount Requested
PROD-00314027	GWF Management, LLC	POM Partners, Inc.	\$50,000	\$10,000
PROD-00316550	MAKEFIELD VENTURES LLC	Ricovr Healthcare Inc.	\$25,000	\$5,000
PROD-00315854	Petricor Opportunities Fund I Intermediate LP	Evergreen Theragnostics, Inc.	\$1,524,499	\$304,900
PROD-00316903	Petricor Opportunities Fund I LP	Evergreen Theragnostics, Inc.	\$3,475,506	\$500,000
PROD-00316902	Tecarter Holdings LLC	Money.net Capital, Inc.	\$160,000	\$32,000
PROD-00316904	Tecarter Holdings LLC	Money.net Capital, Inc.	\$90,000	\$18,000
Grand Total	6		\$5,325,005	\$869,900

EXHIBIT B
Q3 2025 Program Summary - Angel Investor Tax Credit

Program Year	# of Declined Applications	# of Approved Applications	# of Approved Companies	Annual Tax Credit Allocation	Approved Tax Credits	Allocated Amount Remaining	Program Open/Closed
2013	0	28	5	\$25,000,000.00	\$1,407,315	\$23,592,684.80	Closed
2014	7 withdrawn/5 declined	174	20	\$25,000,000.00	\$5,363,927	\$19,636,073.00	Closed
2015	3 withdrawn/32 declined	212	27	\$25,000,000.00	\$5,008,169	\$19,991,830.75	Closed
2016	12 declined	247	31	\$25,000,000.00	\$8,357,418	\$16,642,582.00	Closed
2017	3 declined	256	39	\$25,000,000.00	\$11,177,610	\$13,822,390.00	Closed
2018	14 withdrawn	244	45	\$25,000,000.00	\$10,650,387	\$14,349,613.00	Closed
2019	7 withdrawn/4 declined	161	32	\$25,000,000.00	\$3,310,934	\$21,689,066.00	Closed
2020	17 withdrawn/1 declined	667	52	\$25,000,000.00	\$22,324,094	\$2,675,906.00	Closed
2021	24 withdrawn/3 declined	613	61	\$35,000,000.00	\$21,782,624	\$13,217,376.00	Closed
2022	35 withdrawn/5 declined	496	34	\$35,000,000.00	\$19,837,718	\$15,162,282.00	Closed
2023	18 withdrawn/2 declined	444	34	\$35,000,000.00	\$19,893,005	\$15,106,995.00	Closed
2024	16 withdrawn/10 declined	357	44	\$35,000,000.00	\$18,801,642	\$16,198,358	Open
2025	3 withdrawn/ 0 declined	54	15	\$35,000,000.00	\$1,699,921	\$33,300,079	Open

EXHIBIT C

New Jersey Zero-emission Incentive Program Phase 2 – Q3 2025 Disbursements

NJ ZIP Phase 2 Disbursements – Q3 2025										
Phase	Name of Applicant	Vendor	Purchaser Location	SBE	MBE	WBE	VOB	Driving in EJ community ?	Disbursement Amount	Disbursement Date
ZIP 2	Sarcona Management Inc	Gabrielli Kenworth of New Jersey, LLC	Newark	No	No	No	No	Yes	\$175,000	7/16/2025
ZIP 2	Traveling Treats Limited Liability Company	Xos Services, Inc.	Lakewood	No	No	No	No	Yes	\$243,000	7/31/2025
ZIP 2	Future Truck Rental and Leasing LLC	OEV MO LLC	Edison	No	No	No	No	No	\$2,275,000	8/12/2025



TO: Members of the Authority

FROM: Tim Sullivan, CEO

DATE: December 15, 2025

SUBJECT: Real Estate Division Delegated Authority for Leases and Right of Entry (ROE)/
Licenses for July 2025 and August 2025- ***For Informational Purposes Only***

The following approvals were made pursuant to Delegated Authority for Leases and
ROE/ Licenses in July 2025 and August 2025:

LEASES

<u>TENANT</u>	<u>LOCATION</u>	<u>TYPE</u>	<u>TERM</u>	<u>S.F.</u>
Euprovita Biolabs	BSCI	Lease	One Year	1862
PolyGone Systems	BSCI	Lease	One Year	931
Zelia	BSCI	Lease	One Year	931
Zena	BSCI	Lease Extension	One Year	931
Enquyst	BSCI	Lease	One Year	1307
MyPhysicianPlan	BSCSOL	Lease	Three Years	206
Linus Bio	BSCSOL	Amendment	11/1/25-5/31/27	1504



RIGHT OF ENTRY/LICENSES/EXTENSIONS

<u>ENTITY</u>	<u>LOCATION</u>	<u>TYPE</u>	<u>CONSIDERATION</u>
NJ DEP	Greenway	Right of Entry or Site License Agreement	One Year

MISCELLANEOUS

<u>ENTITY</u>	<u>LOCATION</u>	<u>TYPE</u>	<u>CONSIDERATION</u>
New Jersey State Council on the Arts	MIHI	Other	Two Years

A handwritten signature in blue ink, appearing to read "T. Sullivan".

Timothy Sullivan, CEO