

**BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM
GRANT AGREEMENT BETWEEN THE WYOMING BUSINESS COUNCIL AND
THE TOWN OF ALPINE**

1. **Parties.** The parties to this Grant Agreement are the State of Wyoming, by and through the Wyoming Business Council ("WBC"), whose address is 214 West 15th Street, Cheyenne, Wyoming 82002 and the Town of Alpine, a political subdivision of the State of Wyoming ("Grantee"), whose address is 250 River Circle/P.O. Box 188, Alpine, WY 83128.
2. **Purpose of Grant Agreement.** The WBC shall provide Business Ready Community Grant and Loan Program ("BRC") Business Committed funds to Grantee in the amount set forth in Section 4, and Grantee shall undertake and complete materials, projects and/or services (collectively, the "Project") described in Attachments A, B, and C attached hereto. Performance by Grantee of the requirements of this Grant Agreement and compliance with all BRC program rules and regulations is a condition to Grantee's receipt of monies hereunder.
3. **Term of Grant Agreement and Required Approvals.** This Grant Agreement shall commence upon the date the last signature is affixed hereto. All construction services shall be completed by June 30, 2016, unless an extension is approved by WBC. This grant agreement shall terminate on June 30, 2019, unless otherwise amended or terminated in accordance with the terms and conditions specifically provided herein. This agreement may be extended when, in the sole discretion of the WBC, circumstances require an extension. Any extension shall be done by written amendment.
4. **Payment.** WBC agrees to grant monies to Grantee for performance of the Project, as invoices are submitted for work done in connection with the Project, completed in accordance with the requirements of this Agreement and the BRC program. The total payment to Grantee under this Grant Agreement shall not exceed two million nine hundred forty-nine thousand four hundred twenty-five dollars (\$2,949,425) ("Grant"). Payment will be made following Grantee's delivery to WBC of invoices detailing services performed in connection with the Project in a form satisfactory to WBC. Payment shall be made from WBC's BRC budget pursuant to the schedule shown on Attachment B hereto. No payment shall be made for any services performed in connection with the Project prior to the date upon which the last required signature is affixed to this Grant Agreement.
5. **Responsibilities of Grantee Regarding the Project.** The Project to be undertaken is described in Attachment A and C which are attached and made a part of this Grant Agreement.
6. **Responsibilities of WBC.** WBC will, at its discretion, assist in providing Grantee access to information, including without limitation providing Grantee with information concerning BRC program requirements, rules and other statutes and regulations referred to herein, and will cooperate with Grantee whenever possible. WBC shall have no obligations, other than those specifically set forth herein, regarding the Project or its performance.

7. Special Provisions.

A. Budget Transfer Limitation. Grantee agrees it will not exceed any of the line item totals listed in Attachment B by more than twenty percent (20%) without prior approval from WBC. Such changes will not result in any change in the total Project costs, or a change in the Grant amount.

B. Default and Remedies. In the event Grantee or any subgrantee of Grantee under this Grant Agreement defaults or is deficient in the performance of any term of this Grant Agreement or any requirements of the BRC program rules and regulations, then WBC shall have the right to exercise all remedies provided by law or in equity, including without limitation:

(i) Immediately terminating this Grant Agreement without further liability or obligation of WBC;

(ii) Issuing a letter of warning advising Grantee of the deficiency and putting the Grantee on notice that additional action will be taken if the deficiency is not corrected or is repeated;

(iii) Recommending, or requesting Grantee to submit proposals for corrective actions, including the correction or removal of the causes of the deficiency;

(iv) Advising Grantee to suspend disbursement of funds for the deficient activity;

(v) Advising Grantee to reimburse any amounts improperly expended and reprogram the use of the funds in accordance with applicable requirements;

(vi) Changing the method of payment to Grantee; and/or

(vii) Reducing, withdrawing, or adjusting the amount of the Grant.

C. Extension of Construction. WBC may, at its discretion, without a written amendment to this Grant Agreement, extend the construction services date if Grantee provides written justification for the extension and that the completion of construction services will not exceed six (6) months from the construction services date established herein. A construction services date extension of six (6) months or less will not change the termination date established herein. All other extensions shall be done by written amendment to this Grant Agreement.

D. Monitor Activities. The WBC shall have the right to monitor all Project related activities of the grantee. This shall include, but not be limited to, the right to make site inspections at any time, to bring experts and consultants on site to examine or evaluate completed work or work in progress, and to observe personnel in every phase of performance of the Project.

E. No Finder's Fees. No finder's fee, employment agency fee, broker fee or other such fee related to this Grant Agreement shall be paid by either party.

F. Non-Supplanting Certification. Grantee hereby affirms that BRC grant funds will be used to supplement existing funds, and will not replace (supplant) funds that have been appropriated for the same purpose.

G. Publicity. Any publicity given to the Project or services provided herein, including, but not limited to, notices, information, pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee, shall identify the Business Ready Community Grant and Loan Program as the funding program.

H. Reporting. Within 15 calendar days at the conclusion of each calendar quarter during the Term of this Grant Agreement, Grantee shall furnish WBC with a progress report. Each progress report shall set forth, in narrative form, the Project work accomplished under the Grant during the quarter or any other information requested by WBC. At the end of the term, Grantee shall furnish WBC with a comprehensive report of the Project and accomplishments pursuant to the Grant. Grantee shall likewise furnish WBC with a cumulative financial statement, reflecting total expenditures pursuant to this Grant Agreement upon completion of construction services.

I. Retention of Records. Grantee agrees to retain all records related to the Project which are required to be retained pursuant to this Grant Agreement or the BRC program rules and regulations for ten (10) years following WBC's date of notice to Grantee of closeout of the Grant, provided all audit requirements have been fulfilled.

8. General Provisions

A. Amendments. Any changes, modifications, revisions or amendments to this Grant Agreement which are mutually agreed upon in writing by the parties hereto shall be incorporated by written instrument, signed by all parties to this Grant Agreement.

B. Applicable Law/Venue. The construction, interpretation and enforcement of this Grant Agreement shall be governed by the laws of the State of Wyoming. The Courts of the State of Wyoming shall have jurisdiction over this Grant Agreement and the parties, and venue for any action shall be in the First Judicial District, Laramie County, Wyoming.

C. Assignment. Neither party shall assign or otherwise transfer any of the rights or delegate any of the duties set forth in this Grant Agreement without the prior written consent of the other party. Grantee shall not use this Grant Agreement, or any portion thereof, for collateral for any financial obligation, without the prior written permission of WBC.

D. Assumption of Risk. The Grantee shall assume the risk of any loss of state funding, due to the Grantee's failure to comply with state requirements. The WBC shall notify the Grantee of any state determination of noncompliance.

E. Audit/Access to Records. The WBC and any of its representatives shall have access to any books, documents, papers, and records of the Grantee that are pertinent to this Grant Agreement.

F. Availability of Funds. Each payment obligation of the WBC is conditioned upon the availability of government funds that are appropriated or allocated for the payment of this obligation. If funds are not allocated and available for the continuance of the services performed by the Grantee, the Grant may be terminated by the WBC at the end of the period for which the funds are available. The WBC shall notify the Grantee at the earliest possible time of the services that will or may be affected by a shortage of funds. No penalty shall accrue to the WBC in the event this provision is exercised, and the WBC shall not be obligated or liable for any future payments due or for any damages as a result of termination under this section. This provision shall not be construed to permit the WBC to terminate this Grant Agreement to acquire similar services from another party.

G. Award of Related Grant Agreements. The WBC may undertake or award supplemental or successor grant agreements for work related to this Grant Agreement. The Grantee shall cooperate fully with other grantees and the WBC in all such cases.

H. Compliance with Laws. The Grantee shall keep informed of and comply with all applicable federal, state and local laws and regulations in the performance of this Grant Agreement.

I. Entirety of Grant Agreement. This Grant Agreement, consisting of seven (7) pages, Attachment A, consisting of one (1) page, Attachment B, consisting of one (1) page, and Attachment C, consisting of eleven (11) pages, represents the entire and integrated Grant Agreement between the parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.

J. Extensions. Nothing in this Grant Agreement shall be interpreted or deemed to create an expectation that this Grant Agreement will be extended beyond the term described herein. This Grant Agreement may be renewed by agreement of both parties in writing, provided that there is no right or expectation of renewal or extension beyond the Term, and any renewal or extension will be determined at the discretion of WBC and subject to any necessary WBC approval. Any agreement to extend this Grant Agreement shall include, but shall not be limited to: an unambiguous identification of the Grant Agreement being extended; the term of the extension; a statement that all terms and conditions of the original Grant Agreement shall, unless explicitly delineated in the exception, remain as they were in the original Grant Agreement; and, if the duties of either party will be different during the extension than they were under the original Grant Agreement, a detailed description of those duties.

K. Indemnification. The Grantee shall indemnify, defend, and hold harmless the State, the WBC, and their officers, agents, employees, successors, and assignees from any and all claims, lawsuits, losses, and liability arising out of Grantee's failure to perform any of Grantee's duties and obligations hereunder or in connection with the negligent performance of Grantee's duties or obligations, including but not limited to any claims, lawsuits, losses, or liability arising out of Grantee's malpractice or malfeasance.

L. Independent Contractor. Grantee shall function as an independent contractor for the purposes of this Grant Agreement, and shall not be considered an employee of WBC for any purpose. Grantee shall assume sole responsibility for any debts or liabilities that may be incurred by the Grantee in fulfilling the terms of this Grant Agreement, and shall be solely responsible for the payment of all federal, state and local taxes, which may accrue because of this Grant Agreement. Nothing in this Grant Agreement shall be interpreted as authorizing Grantee or its agents and/or employees to act as an agent or representative for or on behalf of WBC, or to incur any obligation of any kind on the behalf of WBC. Grantee agrees that no health/hospitalization benefits, workers' compensation and/or similar benefits available to WBC employees will inure to the benefit of Grantee or Grantee's agents and/or employees as a result of this Grant Agreement.

M. Kickbacks. The Grantee certifies and warrants that no gratuities, kickbacks or contingency fees were paid in connection with this Grant Agreement, nor were any fees, commissions, gifts, or other considerations made contingent upon the award of this Grant Agreement. If the Grantee breaches or violates this warranty, the WBC may, at its discretion, terminate this Grant Agreement without liability to the WBC, or deduct from the Grant Agreement or consideration, or otherwise recover, the full amount of any commission, percentage, brokerage, or contingency fee.

N. Nondiscrimination. The Grantee shall comply with the Civil Rights Act of 1964, the Wyoming Fair Employment Practices Act (Wyo. Stat. §27-9-105 et seq.), the Americans with Disabilities Act, (ADA), 42 U.S.C. §12101, et seq., and the Age Discrimination Act of 1975 and/or any properly promulgated rules and regulations related thereto and shall not discriminate against any individual on the grounds of age, sex, color, race, religion, origin, or disability in connection with the performance under this agreement.

O. Notices. All notices arising out of, or from, the provisions of this Grant Agreement shall be in writing and given to the parties at the address provided under this Grant Agreement, either by regular U.S. mail or delivery in person. Delivery shall be deemed to have occurred 3 days following deposit in the U.S. mail or upon delivery in person.

P. Ownership of Documents/Work Product/Materials. All documents, records, field notes, data samples, specimens, and materials of any kind resulting from performance of this Grant Agreement are at all times the property of the WBC.

Q. Prior Approval. This Grant Agreement shall not be binding upon either party, no services shall be performed under the terms of this Grant Agreement, and the Wyoming State Auditor shall not draw warrants for payment on this Grant Agreement, until this Grant Agreement has been reduced to writing and approved as to form by the Office of the Attorney General.

R. Severability. Should any portion of this Grant Agreement be judicially determined to be illegal or unenforceable, the remainder of this Grant Agreement shall continue in full force and effect, and either party may renegotiate the terms affected by the severance.

S. Sovereign Immunity. The State of Wyoming and WBC do not waive sovereign immunity by entering into this Agreement and the Grantee does not waive governmental immunity, and each specifically retains all immunities and defenses available to them as sovereigns or governmental entities pursuant to Wyo. Stat. § 1-39-101, et seq., and all other applicable law. Designations of venue, choice of law, enforcement actions, and similar provisions shall not be construed as a waiver of sovereign immunity. The parties agree that any ambiguity in this Contract shall not be strictly construed, either against or for either party, except that any ambiguity as to sovereign immunity shall be construed in favor of sovereign immunity.

T. Taxes. Grantee shall pay all taxes and other such amounts required by federal, state and local law, including but not limited to social security taxes, workers' compensation, unemployment insurance and sales taxes in connection with performance of the Project and this Grant Agreement.

U. Termination of Grant Agreement. The WBC may terminate this Grant Agreement immediately for cause if the Grantee fails to perform in accordance with the terms and conditions of this Grant Agreement. Should the Grantee fail to perform in a manner consistent with the terms and conditions set forth in this Grant Agreement, payment under this Grant Agreement may be withheld until such time as the Grantee performs its duties and responsibilities.

V. Third Party Beneficiary Rights. The parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Grant Agreement shall not be construed so as to create such status. The rights, duties and obligations contained in this Grant Agreement shall operate only between the parties to this Grant Agreement, and shall inure solely to the benefit of the parties to this Grant Agreement. The provisions of this Grant Agreement are intended only to assist the parties in determining and performing their obligations under this Grant Agreement.

W. Time is of the Essence. Time is of the essence in the performance by Grantee all provisions of the Grant Agreement.

X. Titles Not Controlling. Titles of sections are for reference only, and shall not be used to construe the language in this Grant Agreement.

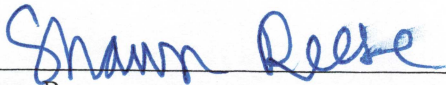
Y. Unused/Misused Funds. The WBC shall be entitled to recover from the Grantee any full or partial payment made under this Grant Agreement for: 1) any payments used for purposes not authorized, or performed outside this Grant Agreement, 2) any payments for services the Grantee is unable to provide, 3) any payments for services the Grantee did not provide but was required to provide under the terms of this Grant Agreement.

Z. Waiver. The waiver of any breach of any term or condition in this Grant Agreement shall not be deemed a waiver of any prior or subsequent breach.

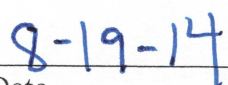
9. **Signatures.** By signing this Grant Agreement, the parties represent and warrant that they have read and understood it, that they agree to be bound by the terms of the Grant Agreement, that they have the authority to sign it, and that they have received a signed and dated copy of the Grant Agreement.

The effective date of this Grant Agreement is the date of the signature last affixed to this page.


WYOMING BUSINESS COUNCIL



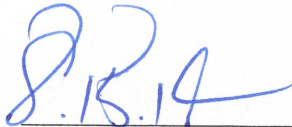
Shawn Reese
Chief Executive Officer



Date

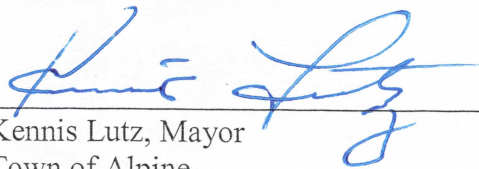


Molly Spangler, Director
Investment Ready Communities

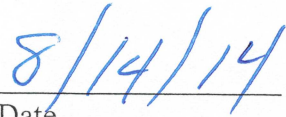


Date

TOWN OF ALPINE




Kennis Lutz, Mayor
Town of Alpine

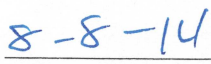


Date

ATTORNEY GENERAL'S OFFICE APPROVAL AS TO FORM



S. Jane Caton
Senior Assistant Attorney General



Date

**ATTACHMENT A TO
BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM
GRANT AGREEMENT BETWEEN THE WYOMING BUSINESS COUNCIL AND
THE TOWN OF ALPINE**

Grantee will receive the sum of \$2,949,425 of the Business Ready Community (BRC) program funds. Grantee will, in turn, use the funds construct a 20,000 square-foot building with access road and sewer/water extension lines on a six-acre parcel along Palisades Reservoir. Alpine will own the land, building and infrastructure. The town will lease the facility to Melvin Brewing. Brewery equipment will be purchased, installed and owned by the Melvin Brewing Company.

As a result of the expansion project, Melvin Brewing will create 28 permanent jobs with a median wage of \$25 per hour, and benefits inclusive of a retirement plan, medical insurance, profit sharing, training and education.

The project is more particularly described in the BRC application received by the WBC on March 6, 2014, and the Development Agreement made July 25, 2014, by and between the Grantee and CDO.

The town of Alpine will construct, own, and lease a 20,000 sf facility to Melvin Brewing for 15 years at 3% interest. The total amount of the amortized lease payments to be recaptured will be the grant amount (\$2,949,425) minus the cost of the utilities (\$440,000+/-). This equates to approximately \$2,500,000 in recapture plus interest over 15 years.

Recaptured funds will be used for public infrastructure improvements that support economic development, a revolving loan fund, façade improvements, downtown development, beautification, marketing, matching funds for future grants, economic development studies and plans and the support of the local economic development commission.

Upon completion of construction of this project, Grantee will be required to provide the WBC a letter from Grantee's attorney confirming:

- Grantee has followed all procurement standards have been followed as per W.S. § 15-1-113 and W.S. § 16-6-101 et. Seq.
- Grantee has followed the Wyoming Preference Act (W.S. § 16-6-201 through 16-6-206);
- Verification of the number of jobs created, types of positions, and wages for each position.

Grantee will be required to provide a letter from a qualified engineer certifying the construction completion of the project and that all required construction standards were adhered to during the construction of this project.

Grantee will be required to provide information as requested by the State of Wyoming, by and through the WBC, about lease arrangements, job creation, revenue recapture, additional investments, marketing, business recruitment, and business development efforts.

All promotional and marketing information and materials created for this project will be required to reference the Wyoming Business Council as a funding partner.

**ATTACHMENT B TO
BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM
GRANT AGREEMENT BETWEEN THE WYOMING BUSINESS COUNCIL AND
THE TOWN OF ALPINE**

Projected Grant Expenditure Schedule for Alpine Melvin Brewing				
DESCRIPTION	BRC	MATCH		TOTAL
		Cash (Melvin Brewing)	In-kind (Town)	
Land Acquisition	\$ 344,929	\$ 31,908	\$ -	\$ 376,837
Non Construction Costs	\$ 68,220	\$ 6,310	\$ 87,095	\$ 161,625
Construction Costs	\$ 2,536,276	\$ 234,619	\$ 230,605	\$ 3,001,500
Total Project Cost	\$ 2,949,425	\$ 272,837	\$ 317,700	\$ 3,539,962

For the above Projected Grant Expenditure Schedule "Non Construction Costs" include: appraisal, architectural, engineering, and project inspection fees; "Construction Costs" include: site work, materials, labor, utilities, and contingencies.

This grant is incrementally funded as costs are incurred according to the above Projected Grant Expenditure Schedule. The WBC will release funds only after payment vouchers or invoices approved by the Grantee are submitted to the WBC. After receipt of cash requests and billing documentation, the WBC will pay the amounts of invoices at ninety-two percent (92%). Verification of all in-kind contributions must be submitted to the WBC.

If actual costs of the project are more than the available funds indicated in Attachment B, Grantee agrees to pay the difference in the amount of funds awarded through the BRC Program and the actual costs of the completed Project.

If there is additional funding for the project, the Grantee must provide the WBC with all necessary information regarding the funding.

**ATTACHMENT C TO
BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM
GRANT AGREEMENT BETWEEN THE WYOMING BUSINESS COUNCIL AND
THE TOWN OF ALPINE**

DEVELOPMENT AGREEMENT
Town of Alpine / Melvin Brewing Company
Revision Date: July 10, 2014

This Development Agreement is made and entered into by and between the Town of Alpine, a Wyoming municipal corporation hereafter referred to as "Applicant Community", and Melvin Brewing Company, a Wyoming Corporation hereafter referred to as "Company", and both parties, collectively are referred to as the "Parties".

RECITALS

Whereas, the Applicant Community desires to purchase and develop certain commercial real property through a Business Ready Community (BRC), Business Committed Program grant from the Wyoming Business Council (WBC), and some of said commercial property would be suitable and desirable for operation of the Company's business; and

Whereas, the Company desires to relocate to a new location and facility within the Applicant Community's jurisdiction in Alpine, Wyoming, if certain development and financial conditions are met; and

Whereas, the Parties desire to enter into this Development Agreement to facilitate and bring about the development of a commercial facility which will be used, leased and/or purchased, in part, by the Company;

Now therefore, in consideration of the promises and agreements contained herein, the Parties agree as follows:

The Purpose. The Parties agree that the purpose of this Agreement is to describe and clarify the intentions of the Parties regarding the completion of a BRC project. The "Project", which is the object of this Development Agreement, includes the following components:

- The purchase of approximately 6.18 acres of land illustrated in attached Exhibit A that will serve as the project site.
- Construction of a 20,000 plus or minus square foot building along with landscaping and exterior improvements to house a brewery facility to be developed and operated by the Company, with the intention to create a minimum of thirty (30) full time long term year round jobs after five years.
- The extensions of water, sewer and utilities; landscaping, signage and other necessary infrastructure.
- The improvement of Lincoln County Road 101 and construction of a section of new road that will provide access to the project site, or the construction of other suitable access mutually agreeable to both parties within the budget and scope of this project.

Applicant Community's Responsibilities. To complete the Project, the Applicant Community shall:

- Prepare, submit and sponsor an application to the WBC to obtain funding to construct water, sewer, utility and road infrastructure to serve the proposed development site, pay off outstanding bank loans to obtain an unencumbered title to real property that was purchased by the Company for the proposed development, and construct a building to house the Company's business of brewing and bottling beer.
- Publicly advertise and solicit bids for construction of the various portions of the Project in compliance with state statutes.
- Finalize a Revenue Recapture Plan which will include a plan for the ultimate sale of the purchased land or portion thereof and constructed building to the Company subject to specified terms and conditions, to be based upon the draft Revenue Recapture Plan attached as Exhibit B.
- Negotiate with the Company, a Lease with Option to Purchase Agreement.
- Attend a hearing before the Wyoming Business Council Board of Directors to present and support the Project application on May 29, 2014 in Laramie, WY.
- Attend a hearing before the State Loan and Investment Board to present and support the Project application: Estimated date: June 19, 2014 in Cheyenne.
- Enter into the Lease with Option to Purchase Agreement with the Company for the occupancy, use and lease of the business.
- Upon receipt of the grant, pay off the existing mortgage loan on the project site subject to the Company providing proof that it can convey clear title to the Applicant Community. Therefore, prior to the existing mortgage being paid off, Company shall provide to Applicant Community a commitment for an owner's title insurance showing title being subject only to exceptions for public roads or utilities or such other exceptions to which Applicant Community agrees.
- Upon the receipt of a deed for the 6.18 project site, initiate efforts to annex the site into the Applicant Community. Costs for the annexation shall be shared between the Applicant Community and Company based upon mutual agreement.
- Submit in a timely fashion, all Draw Down Requests, Quarterly Reports and Annual Reports as required by the WBC's BRC Program.
- Otherwise, use its best efforts to bring about the completion of the various portions of the Project and occupancy of the Project by the Company in general compliance with the Tentative Project schedule shown in attached Exhibit C.
- Provide local in-kind project matching in the form of future sewer tap fees with a future value of \$309,600, 36 taps @ \$8,600 per tap.

Company Responsibilities To complete the Project, the Company shall:

- Provide information and otherwise assist and consult with the Applicant Community in the preparation and submission of the aforesaid application to the WBC to obtain funding for the Project, including as necessary the attendance at key meetings with the WBC and State Loan Investment Board.
- Provide documentation suitable to the WBC and Town of Alpine that private investors will provide approximately \$2,000,000
- Secure documentation and minimum brewery equipment financing commitments in the amount of \$830,000.
- Complete the purchase of the 6.18 acre parcel to be used as the project site as shown on attached Exhibit A.
- Deed the entire 6.18 acre project site, as shown in Exhibit A, to the Applicant Community at no cost upon the approval of grant funding from the WBC to the Applicant Community and prior to the expenditure of any funds by the Applicant Community. In connection with conveyance of the project site to Applicant Community, provide at the Company's expense an owner's policy of title insurance for the full value of the property subject only to those exceptions for any public roads or utilities or any other exceptions to which Applicant Community agrees.
- Consult with and assist the Applicant Community in the supervision, administration, management and completion of the building and related infrastructure to house and serve the brewery facility.
- Enter into a Lease Agreement with the Applicant Community for occupancy of the building prior to expenditure of any funds received from the WBC for the Project.
- Assume full responsibility for the purchase, delivery and installation of all brewery equipment and facilities necessary for the brewery operation but not associated with the building structure constructed by the Applicant Community.
- Use its best efforts to timely bring about the completion of the Project and occupancy of the Project by the Company.
- In combination with the local in-kind match provided by the Applicant Community, invest private capital into the project in an amount necessary to meet the minimum 10% / 30% overall local eligible project match requirements.
- Invest additional capital and resources to meet the 15% local cash match requirements of the WBC's Business Committed grant. The Company's total private capital investment is estimated to be approximately \$2,000,000. Exact amounts will be determined upon completion of the project and reported to the Wyoming Business Council.

- Upon commencement of the Lease, add the following number of full-time long term year round jobs at the brewery: approximately 12 jobs in year one (2015), 6 more in year two (2016), 6 more in year three (2017), and 6 more in year four (2018), for a minimum total of 30 full-time long term jobs after five years resulting in an average annual payroll, including benefits and all other compensation of at least \$1.3 million dollars during the first five years of the Lease.
- Maintain and provide to the Applicant Community and the WBC upon request any and all records, documents and data which will enable verification of the Company's job creation, payment of wages and capital investment in the equipment located in the Project. The Company also agrees to make available all information and documentation needed for the Applicant Community to complete reporting requirements of the BRC Program.
- Make future recapture payments in accordance with the attached Revenue Recapture Plan, Exhibit B.
- Reimburse the Applicant Community for a minimum of 36 additional future sewer taps as outlined in the attached Revenue Recapture Plan, Exhibit B.

Mutual Agreements.

- The Parties agree to make every effort, sign all documents and undertake all acts which are reasonably necessary to timely perform and carry out their responsibilities set forth in this Agreement.
- The Parties agree that the "Estimated dates and schedules" set forth in this agreement are good faith estimates or target dates for completing the applicable task or item. The Parties acknowledge and agree that the dates are not binding and the actual date of completion for an item may vary, but to the extent possible, the Parties agree to make every effort to complete items and tasks set forth in this Agreement by the estimated completion date.
- The Parties agree that nothing in this Agreement shall be construed to mean that the Applicant Community is obligated to proceed with the Project if it does not receive the requested funding from the WBC nor shall anything be construed to mean that the Applicant Community is obligated to expend funds for the Project in excess of the funds received from the WBC.

Future Purchase Option Both Parties agree that the Company shall have the option to purchase the constructed building housing the brewery facility and the 6.18 acre project site once the following conditions are satisfied:

- A minimum of five years has transpired from the initial date of occupancy of the brewery facility.
- Recapture payments have been made to the Town in accordance with the attached revenue recapture plan.

- The Company has created a minimum of thirty (30) full time year round jobs by the end of year 2019 assuming that the brewery begins operation in early 2015.
- **The Company has met all obligations associated with this development agreement and other agreements entered into with the Applicant Community.**

If the Company exercises this option to purchase, the purchase price shall be calculated as follows: the amount of the final BRC Business Committed Program grant ("the Grant") less the cost of the off-site utility extensions and less the total amount previously recaptured by the Applicant Community as of the date of sale. However, if the Company has failed to fulfill its responsibilities listed in the "Company Responsibilities" above, the Company shall also pay annual interest on the amount of the Grant less the cost of the off-site utility extension at the rate of 3% per annum.

Termination of this Agreement. The Applicant Community or the Company shall each have the right to terminate this Agreement at any time for any reason prior to the Applicant Community's expenditure of any grant or loan funds that it receives from the WBC for the Project. Termination of this Agreement shall be accomplished by providing the other party written notice thereof. In the event of such termination, each party shall be released from performing all obligations, covenants and promises contained in this Agreement and each party shall bear and be solely responsible for the payment of all costs and expenses of any kind or nature that they have incurred pursuant to this Agreement.

Sovereign Immunity. The Applicant Community does not waive sovereign immunity by entering into this Development Agreement and specifically retains such immunity and defenses available to it pursuant to Wyoming Statutes 1-39-104 and all other state laws.

Miscellaneous provisions. Other miscellaneous provisions:

- This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto, and any entities resulting from the reorganization, consolidation or merger of either party hereto.
- The headings used in this Agreement are inserted for reference purposes only and shall not be deemed to limit or affect in any way the meaning or interpretation of any of the terms or provisions of this Agreement.
- This Agreement, together with all other documents executed pursuant to or in connection with its terms, constitutes the entire understanding and agreement between the Parties relating to the subject matter hereof and supersedes all prior agreements, representations or understandings between the Parties relating to the subject matter hereof.
- This Agreement may be signed upon any number of counterparts with the same effect as if the signature to any counterpart were upon the same instrument.
- This Agreement may not be modified except by an instrument in writing signed by the Parties hereto.

- This Agreement shall be interpreted, construed and enforced according to the laws of the State of Wyoming.

The undersigned represent and warrant that they have the approval and authority of their respective corporation to sign and execute this Agreement on behalf of their corporation.

All notices, demands, requests and other writings required or permitted to be given hereunder shall be deemed duly given if delivered or if mailed by registered or certified mail, postage prepaid, address to the following:

If to Applicant Community, to:

Kennis Lutz, Mayor
Town of Alpine
P.O. Box 3070
Alpine, WY 83110

If to the company/business, to:

Jeremy Tofte, President
Melvin Brewing Company
P.O. Box 2061
75 East Pearl Street
Jackson, WY 83001

Either party shall have the right to specify in writing in the manner above provided, another address to which subsequent notices or writings to such party shall be given. Any notice given hereunder shall be deemed to have been given as of the date delivered or mailed.

SIGNED AND EXECUTED by the parties as of the _____ day of _____, 2014.

Applicant Community Town of Alpine

Company Melvin Brewing Company

Attest:

Kennis Lutz

Attest:

Jeremy Tolle

Title: Mayor, Town of Alpine

Title: President, Melvin Brewing Company

Date: _____

Date: 7/25/14

ATTACHED EXHIBITS:

- Exhibit A: Illustrative Map of Project Site
- Exhibit B: Revenue Recapture Plan
- Exhibit C: Tentative Project Schedule

STATE OF WYOMING
COUNTY OF LINCOLN

KENNIS LUTZ, MAYOR OF ALPINE SIGNED BEFORE
ME ON JULY 29, 2014

Pamela D. Poston

PAMELA D. POSTON

TOWN CLERK/
TREASURER OF
THE TOWN OF ALPINE

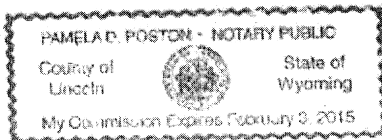


EXHIBIT B
REVENUE RECAPTURE PLAN
Town of Alpine / Melvin Brewing Company
July 10, 2014

As per BRC rules and evaluation criteria, the Town of Alpine understands revenue generated by the Melvin Brewing project through the publicly funded infrastructure project will be recaptured by the Town of Alpine with the following terms:

- Amortized term – 15 years
- 3% interest, forgiven when the Company fulfills its responsibilities listed in the “Company Responsibilities” within the Development Agreement and then forgiven annually thereafter
- Public benefit consideration – interest forgiveness if jobs created, jobs retained and timely payment of lease disbursements.
- Annual recapture payments.
- 1st payment to be received at the end of the calendar year when the premises are first occupied by Melvin Brewing, or by December 31, 2015.

The Town of Alpine will establish a budget line item for these funds to delineate them from General Fund capital.

The Town will meet the reporting requirements of these funds to the Wyoming Business Council on an annual basis.

The Town of Alpine may utilize recaptured funds from the BRC - Business Committed Program grant to fund the following:

- 10% Economic Development Commission operation and maintenance, salary, etc. (The Town of Alpine understands that no more than 50% of these funds can be expended on these expenses.)
- 35 % for public infrastructure improvements that will encourage economic development, including repayment to the wastewater treatment plant fund as necessary for the financial well-being of the Town of Alpine
- 5% for revolving loan fund.
- 5% for façade improvements
- 5% for downtown development
- 5% for beautification
- 5% for marketing
- 20% for matching funds for future grants
- 5% for trainings and seminars
- 5% for economic development studies and plans

The percentages shown are approximate only and subject to change as necessary to meet the financial needs and well-being of the Town of Alpine. The estimated total recapture amount of \$2,591,240 is based upon the estimated cost of the building (excluding facilities and equipment specific to the brewery operation which are paid for directly by Melvin Brewing) and land and other related costs and excludes costs of

infrastructure improvements that will be owned by the Town of Alpine as detailed in the February 28, 2014 Business Ready application, as supplemented, to the Wyoming Business Council. The actual final amount of the recapture will be calculated after final completion and acceptance of the brewery building and related infrastructure.

See attached Annual Recapture Payment Table proposed for this project, which table is made a part of Exhibit B. The recapture plan is designed to limit the recapture requirements in the first several years of operation to allow the Melvin Brewing Company develop its product and increase production. No payment is anticipated in year 2014 as the company focuses on the construction of their new facility. In 2015, production will be limited so a recapture of only \$10,000 is anticipated to help the Town of Alpine repay Lincoln County. The recapture is increased to 1%, 2% and 5% of the total recapture amount anticipated for years 2016, 2017 and 2018 respectively.

An assessment will be made at the end of year 2019, after the first five years of operation, to determine the number of full time jobs created. If Melvin Brewing is able to create and sustain a minimum of 30 full time long term jobs by December 31, 2019, the Town will waive interest charges which are anticipated to be 3.00 percent annually. In this case, Melvin Brewing would make annual recapture payments from 2019 through 2028 that would pay back the principal of the WBC grant minus adjustments for Town owned infrastructure. If in 2019 it is determined that fewer than 30 full time jobs are created, Melvin Brewing would also be responsible for paying interest charges that would start to accrue in 2015 as shown in the recapture plan table. The Town may agree to waive interest charges if 30 full time long term jobs are created after the target date.

For public benefit consideration, Melvin Brewing will:

- Create and sustain 30 jobs within 5 years of opening or by December 31, 2019 whichever comes sooner.
- Provide the balance of the 10% / 30% local eligible match, in addition to the local in-kind match provided by the Town of Alpine, and provide in full the 15% local cash match needed for the Business Committed project funds.
- Provide a 3% return to the Town of the project costs, minus the infrastructure improvements. (Note: This 3% will be waived if the job creation goal is achieved by the target date).
- Make annual recapture payments to the Town of Alpine in accordance with the attached schedule.
- Make the first annual payment approximately one year from substantial completion of the facility or by approximately December 31, 2015 and after the receipt of the Certificate of Occupancy.
- Reimburse the Town of Alpine for a minimum of 36 additional sewer taps (ERUs) at a cost of \$8,600 per ERU, total of \$309,600, at the rate of 12 taps (ERUs) per year in calendar years 2016, 2017 and 2018 as further described in the schedule below.

Exhibit B Revenue Recapture Plan

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**FUTURE SEWER TAP FEE REIMBURSEMENT COMMITMENTS BY MELVIN
BREWING TO TOWN OF ALPINE**

YEAR	1	2	3	4	5	TOTALS
	2014	2015	2016	2017	2018	
MINIMUM TOTAL ERU NEEDED AS PROJECTED BY MELVIN BREWING	0	11	32	44	56	56
MINIMUM ADDITIONAL ERU FOR WHICH MELVIN BREWING REIMBURSES THE TOWN OF ALPINE	0	0	12	12	12	36
REIMBURSEMENT PAYMENT TO ALPINE	\$0	\$0	\$103,200	\$103,200	\$103,200	\$309,600
TAP FEE BALANCE	\$309,600	\$309,600	\$206,400	\$103,200	\$0	

1) Melvin Brewing has agreed to purchase from the Town of Alpine 20 tap fees in 2014 at \$7,500 or a total of \$150,000 for the initial operation of the brewery facility using cash from investors.

2) Melvin Brewing agrees to reimburse the Town of Alpine for 36 additional tap fees at the rate of \$8,600 between 2016 and 2018 as shown on the above schedule for a total of \$309,600.

3) Melvin reserves the right to purchase additional tap fees from the Town of Alpine at the rates in effect at the time of purchase for future needs, subject to availability and satisfaction of Town pre-treatment requirements.

4) Tap fee payments are separate from the grant recapture payments shown in the attached recapture table.

5) A late fee of \$500 plus interest accrued at 1% per month may at the discretion of the Town of Alpine be added to the tap fees reimbursed after December 31st of the year they are committed.

6) Reimbursements from Melvin Brewing for previously set aside sewer taps may be used by the Town for the Wastewater Treatment Plant operations and for the re-payment of existing loans with the State of Wyoming SLIB.

At the end of 5 years, or by approximately December 31, 2019, Melvin Brewing may exercise the option of purchasing the building and land from the Town of Alpine, subject to the conditions set forth for the creation of new jobs and full payment of the total recapture amount. Additional terms for the purchase are also provided in the Development Agreement.

The following statement describes the general goals and objectives for the Town of Alpine for the use of recapture funds:

"Promotion of business enterprise within the Town of Alpine including infrastructure improvements that encourage economic development, repayment to Lincoln County for any seed funds used in preparation of the grant application, repayment to the wastewater treatment plant fund as necessary for the economic well-being of the town, and other business supportive activities as allowed by the Wyoming Business Council."

Exhibit B. Revenue Recapture Plan
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