

**Board Summary**

**Axion Corporation**  
 505 E. Windmill Lane Suite 1C-117, Las Vegas, NV 89123  
 Thomas Wendt, Chief Executive Officer  
 Company Headquarters

Date: May 17, 2018  
 Main Location: Carson City

Business Type: New                      County: Washoe County                      Development Authority Representative: Stan Thomas - EDRAWN

**APPLICATION HIGHLIGHTS**

- Axion Corporation is considering establishing a facility in Reno, NV. The northern Nevada facility would house the company's engineering, manufacturing, distribution, headquarters, and satellite support services.
- The target date for the expansion is fall 2018, with operations to commence in November 2018.

**PROFILE**

Axion Corporation is a provider of satellite-based entertainment services for the consumer and commercial markets. The company is a start-up currently based in Las Vegas, Nevada. After careful consideration of growth potential, the company has formulated plans to relocate to Reno, Nevada from its current location. The company plans to hire and train employees from the local Reno area, and begin engineering, manufacturing, distribution, headquarters, and satellite support services at a location in the Reno area for which we are currently searching. The target date for the physical move is fall 2018, with operations to commence in November 2018. *Source: Axion Corporation*

**SIGNIFICANCE OF ABATEMENTS IN THE COMPANY'S DECISION TO RELOCATE/EXPAND**

Axion Corporation is eyeing tremendous opportunity in its markets and, like any young company, needs to establish its operations in a cost-effective manner to support its projected growth. The incentive and abatement programs offered through GOED will make it possible to build the company's manufacturing, engineering, distribution, business and headquarters operations in a manner that is pleasing to investors and essential to Axion Corporation's bottom line. These incentives and abatements are of the highest importance to Axion Corporation and the company is grateful to be included as a candidate for these programs. *Source: Axion Corporation*

REQUIREMENTS	Statutory	Application	Sufficient	% Over / Under
Job Creation	50	205		310%
Average Wage	\$21.95	\$40.60	Company meets	85%
Equipment Capex (SU & MBT)	\$1,000,000	\$27,600,000	abatement eligibility requirements	2660%
Equipment Capex (PP)	\$5,000,000	\$27,600,000		452%

INCENTIVES	Requested Terms	Estimated \$ Amount
Sales Tax Abmt.	2% for 2 years	\$1,729,140
Modified Business Tax Abmt.	50% for 4 years	\$643,769
Personal Property Tax Abmt.	50% for 10 years	\$588,910
<b>Total</b>		<b>\$2,961,819</b>

**NEVADA BUSINESS LICENSE**

- Current                       Pending                       Will comply before receiving incentives

JOB CREATION	Contracted	24-Month Projection	5-Year Projection
	50	205	511

OTHER CAPITAL INVESTMENT	Land	Building Purchase	BTS / Building Improvements
	\$0	\$0	\$3,000,000

ECONOMIC IMPACT ESTIMATES (10-Year Cumulative)	Total	Construction
Total Jobs Supported	1,482	31
Total Payroll Supported	\$654,927,197	\$1,338,900
Total Output Estimate	\$2,714,908,584	\$4,709,310

Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses.

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)	Direct	Indirect	Total
<b>Local Taxes</b>			
Property	\$891,360	\$18,079,257	<b>\$18,970,617</b>
Sales	\$122,168	\$10,293,340	<b>\$10,415,508</b>
Lodging	\$0	\$506,306	<b>\$506,306</b>
<b>State Taxes</b>			
Property	\$43,419	\$1,088,237	<b>\$1,131,656</b>
Sales	\$591,000	\$4,060,549	<b>\$4,651,549</b>
Modified Business	\$4,409,138	\$3,737,334	<b>\$8,146,472</b>
Lodging	\$0	\$168,769	<b>\$168,769</b>
<b>Total</b>	<b>\$6,057,085</b>	<b>\$37,933,792</b>	<b>\$43,990,877</b>

**EMPLOYEE BENEFITS**

- Percentage of health insurance covered by company: 70%.
- Health care package cost per employee - \$9,400 annually with options for dependents.
- Overtime, PTO/Sick/Vacation, Merit Increases, Tuition Assistance, Retirement Plan / Profit Sharing / 401(k), Bonus.

**NOTES**

- Percentage of revenue generated by the new jobs contained in this application from outside Nevada: 95%.
- The company is also considering Texas as a potential location.

April 5, 2018

Director Paul Anderson  
Governor's Office of Economic Development  
808 West Nye Lane  
Carson City, NV 89703

Re: Axion Corporation

Dear Paul;

EDAWN hereby supports the application of Axion Corporation for the Sales & Use Tax Abatement, Modified Business Tax Abatement, and Personal Property Tax Abatement.

Axion is a provider of satellite-based entertainment services for the consumer and commercial markets. The company is planning to relocate its corporate headquarters, manufacturing and engineering to Reno with plans to commence operations by November 2018.

The company will be investing approximately \$27,000,000 in capital equipment and plans to hire 205 employees by the end of Year Two at an average wage of \$40.60 per hour and 511 employees at the end of 5 years.

The company's compensation package includes medical, dental, and vision benefits. Additional compensation includes merit increases, overtime, PTO/sick/vacation, retirement plan/profit sharing/401K, tuition assistance, retirement plan/profit sharing/401K, and bonus. Employee health insurance is covered 70% by the company and commences upon employment.

EDAWN supports this application as the company meets all three program requirements. Your consideration and support of the incentive application for Axion is a significant factor in their pending decision to expand in northern Nevada and speaks favorably to the State's business-friendly environment.

Sincerely,



Stan Thomas  
EDAWN, Executive Vice-President  
Business Development

April 4, 2018

Governor's Office of Economic Development  
808 West Nye Lane  
Carson City, NV 89703

Dear Commission Members:

Axion Corporation is a provider of satellite-based entertainment services for the consumer and commercial markets. We are a start-up currently based in Las Vegas, Nevada. After careful consideration of our growth potential, our company has formulated plans to relocate to Reno, Nevada from our current location in Las Vegas, Nevada. We plan to hire and train employees from the local Reno area, and begin engineering, manufacturing, distribution, headquarters, and satellite support services at a location in the Reno area for which we are currently searching. The target date for the physical move is fall 2018, with operations to commence in November 2018.

The decision to relocate our operations from Las Vegas operation to Reno was due to several factors, including the business tax structure, cost of living, availability of technical talent, and logistic advantages offered by the region. In addition, Axion is aware of the benefits of the State Incentive Program, and this also was a critical factor in deciding to relocate our manufacturing and engineering operations to Reno.

The relocation plan to Reno involves setting up a manufacturing operation and engineering offices and investments in additional equipment. In order to staff and operate our operations, the plan is to hire up to 205 employees in the first two years, with increases over five years. The average hourly rate of the employees is projected to be \$40.60.

We are excited about the market opportunities presented by this relocation and the advantages that locating this facility in Reno will offer our company. In conjunction with Nevada's business-friendly environment, we see this as a first step in what will be increased growth for Axion Corp.

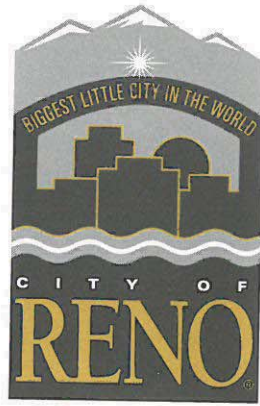
Sincerely,

A handwritten signature in black ink that reads "Peter Vrettas".

Peter Vrettas  
President & CAO  
AXION CORPORATION

**Sabra Newby**  
*City Manager*

(775) 334-2020  
(775) 334-2097 Fax  
newbys@reno.gov  
Web site: reno.gov



April 27, 2018

Mr. Ryan Smith  
Business Development Manager  
Nevada Governor's Office of Economic Development  
555 E. Washington Street, Suite 5400  
Las Vegas, NV 89101

**RE: Sales & Use Tax, Modified Business Tax and Personal Property Tax Abatements  
Axion Corporation**

Dear Mr. Smith:

We are in receipt of your letter dated April 17, 2018 regarding an application for various tax abatements submitted by Axion Corporation to the Governor's Office of Economic Development.

At this time, we have no questions or comments for the board.

Should you have any additional questions please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Sabra Newby". The signature is written in a cursive, flowing style.

Sabra Newby  
City Manager

cc. Mayor and City Council

April 24, 2018

Mr. Paul Anderson  
Executive Director  
Nevada Governor's Office of Economic Development  
555 E. Washington 808 W. Nye Lane  
Carson City, NV 89703

RE: REQUEST FOR CONFIDENTIALITY OF RECORDS AND DOCUMENTS

Dear Director Anderson:

On April 5, 2018, Axion Corporation submitted an application to you as the Executive Director of the State of Nevada Governor's Office of Economic Development ("GOED") requesting approval of economic incentives for their new operation in Nevada. The purpose of this letter is to request confidentiality pursuant to Section 4 of Assembly Bill No. 17 (2015 Regular Session) as codified in NRS 231.069.

Please be advised Axion Corporation specifically deems the following information proprietary and confidential:

- 1) The detailed schedule of Employment List
- 2) The detailed schedule of Capital Equipment List

Thank you for your consideration. If you have any questions or require any further information, please do not hesitate to contact me.

Sincerely,

  
Peter T. Vrettas  
President & CAO

## REQUEST FOR CONFIDENTIALITY DETERMINATION

Pursuant to NRS 231.069, and upon the request of applicant Axion Corporation the Executive Director of the Office has determined the:

- (i) The detailed schedule of Capital Equipment List, 5(A)
- (ii) The detailed schedule of Employment List, 5(B)

are confidential proprietary information of the business, are not public records, and shall be redacted in its entirety from the copy of the application that is disclosed to the public.



Paul Anderson  
Executive Director

4/27/2018  
Date





**Section 5 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)**

Check the applicable box when form has been completed.

- 5 (A)  Equipment List
- 5 (B)  Employment Schedule
- 5 (C)  Evaluation of Health Plan, with supporting documents to show the employer paid portion of plan meets the minimum of 65%.

**Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)**

New Operations / Start Up - Plans Over the Next <u>Ten</u> Years	Expansions - Plans Over the Next <u>10</u> Years
<p>Part 1. Are you currently/planning on leasing space in Nevada? <u>Yes</u></p> <p><b>If No, skip to Part 2. If Yes, continue below:</b></p> <p>What year(s)? <u>2018-2023</u></p> <p>How much space (sq. ft.)? <u>TBD</u></p> <p>Annual lease cost of space: <u>TBD</u></p> <p>Do you plan on making building tenant improvements? <u>Yes</u></p> <p><b>If No, skip to Part 2. If Yes *, continue below:</b></p> <p>When to make improvements (month, year)? <u>TBD</u></p> <hr/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? <u>No</u></p> <p><b>If No, skip to Part 3. If Yes *, continue below:</b></p> <p>Purchase date, if buying (month, year): _____</p> <p>How much space (sq. ft.)? _____</p> <p>Do you plan on making building improvements? _____</p> <p><b>If No, skip to Part 3. If Yes *, continue below:</b></p> <p>When to make improvements (month, year)? _____</p> <hr/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? <u>No</u></p> <p><b>If Yes *, continue below:</b></p> <p>When to break ground, if building (month, year)? _____</p> <p>Estimated completion date, if building (month, year): _____</p> <p>How much space (sq. ft.)? _____</p>	<p>Part 1. Are you currently leasing space in Nevada? _____</p> <p><b>If No, skip to Part 2. If Yes, continue below:</b></p> <p>What year(s)? _____</p> <p>How much space (sq. ft.)? _____</p> <p>Annual lease cost at current space: _____</p> <p>Due to expansion, will you lease additional space? _____</p> <p><b>If No, skip to Part 3. If Yes, continue below:</b></p> <p>Expanding at the current facility or a new facility? _____</p> <p>What year(s)? _____</p> <p>How much expanded space (sq. ft.)? _____</p> <p>Annual lease cost of expanded space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p><b>If No, skip to Part 3. If Yes *, continue below:</b></p> <p>When to make improvements (month, year)? _____</p> <hr/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? _____</p> <p><b>If No, skip to Part 3. If Yes, continue below:</b></p> <p>How much space (sq. ft.)? _____</p> <p>Current assessed value of real property? _____</p> <p>Due to expansion, will you be making building improvements? _____</p> <p><b>If No, skip to Part 3. If Yes *, continue below:</b></p> <p>When to make improvements (month, year)? _____</p> <hr/> <p>Part 3. Do you plan on building or buying a new facility in Nevada? _____</p> <p><b>If Yes *, continue below:</b></p> <p>Purchase date, if buying (month, year): _____</p> <p>When to break ground, if building (month, year)? _____</p> <p>Estimated completion date, if building (month, year): _____</p> <p>How much space (sq. ft.)? _____</p>
* Please complete Section 7 - Capital Investment for New Operations / Startup.	* Please complete Section 7 - Capital Investment for Expansions below.

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):





Section 10 - Certification

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Peter T. Vrettas  
Name of person authorized for signature

President and Chief Administrative Officer  
Title

Peter T. Vrettas  
Signature

4/4/2018  
Date

**Nevada Governor's Office of Economic Development**

555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • [www.diversifynevada.com](http://www.diversifynevada.com)

# Site Selection Factors

Company Name: Axion Corp.

County: Washoe

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## Section 1 - Site Selection Ratings

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Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

Availability of qualified workforce:	<u>3</u>	Transportation infrastructure:	<u>1</u>
Labor costs:	<u>2</u>	Transportation costs:	<u>1</u>
Real estate availability:	<u>4</u>	State and local tax structure:	<u>5</u>
Real estate costs:	<u>3</u>	State and local incentives:	<u>5</u>
Utility infrastructure:	<u>5</u>	Business permitting & regulatory structure:	<u>3</u>
Utility costs:	<u>2</u>	Access to higher education resources:	<u>3</u>

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Please summarize the importance of the abatement program to your decision (please include at least a paragraph summary):

Axion Corp. is eyeing tremendous opportunity in its markets, and like any young company, needs to establish its operations in a cost-effective manner as a springboard to its projected growth. The incentive and abatement programs offered through GOED will make it possible to build our manufacturing, engineering, distribution, business and headquarters operations in a manner that is pleasing to our investors and essential to our bottom line. These incentives and abatements are of the highest importance to Axion, and we are grateful to be included as a candidate for these programs.

## **Equipment Schedule, Detailed**

**The Office has determined the detailed equipment schedule as described in this application constitutes confidential proprietary information of Axion Corporation., and is not a public record.**

## **Employment Schedule, Detailed**

**The Office has determined the detailed employment schedule as described in this application constitutes confidential proprietary information of Axion Corporation., and is not a public record.**

## 5(C) Evaluation of Health Plans Offered by Companies

Company Name: Axion Corp. County: Washoe

Total Number of Full-Time Employees: 205

Average Hourly Wage per Employee \$40.60  
 Average Annual Wage per Employee (implied) \$84,448.00

Annual Cost of Health Insurance per Employee \$9,500.00  
 Percentage of Cost Covered by:  
 Company 75%  
 Employee 25%

Health Plan Annual Out-of-Pocket Maximum \$3,200

### Generalized Criteria for Essential Health Benefits (EHB)

*[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]*

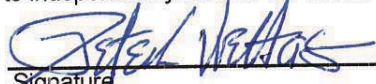
Covered employee's premium not to exceed 9.5% of annual wage	3.7%	MMQ
Annual Out-of-Pocket Maximum not to exceed \$7,150 (2017)	\$3,200	MMQ

Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services x
  - (B) Emergency services x
  - (C) Hospitalization x
  - (D) Maternity and newborn care x
  - (E) Mental health/substance use disorder/behavioral health treatment x
  - (F) Prescription drugs x
  - (G) Rehabilitative and habilitative services and devices x
  - (H) Laboratory services x
  - (I) Preventive and wellness services and chronic disease management x
  - (J) Pediatric services, including oral and vision care x
- No Annual Limits on Essential Health Benefits x

I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached sufficient plan information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently confirm the same.

Peter Vrettas  
 Name of person authorized for signature

  
 Signature

President and Chief Administrative Officer  
 Title

4/4/2018  
 Date



# AXION CORPORATION

Business Entity Information			
Status:	<b>Active</b>	File Date:	<b>03/31/2016</b>
Type:	<b>Domestic Corporation</b>	Entity Number:	<b>E0146762016-7</b>
Qualifying State:	<b>NV</b>	List of Officers Due:	<b>03/31/2019</b>
Managed By:		Expiration Date:	
Foreign Name:		On Admin Hold:	<b>No</b>
NV Business ID:	<b>NV20161190704</b>	Business License Exp:	<b>03/31/2019</b>

Additional Information	
	Central Index Key

Registered Agent Information			
Name:	<b>CSC SERVICES OF NEVADA, INC.</b>	Address 1:	<b>2215-B RENAISSANCE DR</b>
Address 2:		City:	<b>LAS VEGAS</b>
State:	<b>NV</b>	Zip Code:	<b>89119</b>
Phone:		Fax:	
Mailing Address 1:		Mailing Address 2:	
Mailing City:		Mailing State:	<b>NV</b>
Mailing Zip Code:			
Agent Type:	<b>Commercial Registered Agent - Corporation</b>		
Jurisdiction:	<b>NEVADA</b>	Status:	<b>Active</b>

[View all business entities under this registered agent \(\)](#)