

**Board Summary**

**KRS Global Biotechnology, Inc.**  
**791 Park of Commerce Blvd #600, Boca Raton, FL 33487**  
**Riccardo Roscetti, President and Chief Operating Officer**  
**Manufacturing**

Date: May 17, 2018  
 Main Location: Carson City

Business Type: New                      County: Clark County                      Development Authority Representative: Michael Walsh - LVGEA

**APPLICATION HIGHLIGHTS**

- KRS Global Biotechnology, Inc. is currently evaluating the construction of a licensed pharmaceutical manufacturing facility. The new facility would be 150,000 square foot of newly constructed space housing new clean rooms, production lines, and warehousing.
- In 2015, the company was selected as one of the 'Top 50 Florida Companies to Watch' by GrowFL. In 2016, it was named South Florida manufacturer of the Year by the South Florida Manufacturers Association.

**PROFILE**

KRS Global Biotechnology, Inc. makes custom pharmaceuticals; sterile products such as syringes and IV bags; purified water for drug manufacturing; and a kit used by hospitals and other compounding pharmacies to test their technicians. The company provides its services to patients, surgery centers, ophthalmology clinics, hospitals, universities and veterinarians nationwide and is committed to being the top provider of these compounding services while developing quality processes that facilitate the highest level of safety for patients of parenteral, enteral, oral and topical preparations. KRS Global Biotechnology, Inc. is a FDA registered medical device manufacturer and registered 'outsourcer of human drugs' under The Drug Quality and Security Act, a law designed to help protect consumers from exposure to pharmaceutical drugs that may be counterfeit, stolen, contaminated, or otherwise harmful. As a result of the increased demand for the company's products and services, KRS Global Biotechnology, Inc. is expanding capacity to provide additional manufacturing, R&D and warehousing operations. The company was founded in 2001 and is headquartered in Boca Raton, Florida. *Source: KRS Global Biotechnology, Inc.*

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

KRS Global Biotechnology, Inc. continues to be aggressively recruited by other states offering substantial incentive packages, Nevada's State and local incentives will play a crucial role in the company's decision to locate in the metro Las Vegas, Nevada area. Availability of incentives to help offset project expenditures and narrow the cost gap between other locations under consideration will help the company make the financial case for the move. *Source: KRS Global Biotechnology, Inc.*

REQUIREMENTS	Statutory	Application	Sufficient	% Over / Under
Job Creation	50	50		0%
Average Wage	\$21.95	\$25.00	Company meets	14%
Equipment Capex (SU & MBT)	\$1,000,000	\$34,555,000	abatement eligibility requirements	3356%
Equipment Capex (PP)	\$5,000,000	\$34,555,000		591%

INCENTIVES	Requested Terms	Estimated \$ Amount
Sales Tax Abmt.	2% for 2 years	\$2,156,250
Modified Business Tax Abmt.	50% for 4 years	\$86,886
Personal Property Tax Abmt.	50% for 10 years	\$507,500
<b>Total</b>		<b>\$2,750,636</b>

**NEVADA BUSINESS LICENSE**

- Current                       Pending                       Will comply before receiving incentives

JOB CREATION	Contracted	24-Month Projection	5-Year Projection
	50	50	160

OTHER CAPITAL INVESTMENT	Land	Building Purchase	BTS / Building Improvements
	\$0	\$0	\$1,500,000

ECONOMIC IMPACT ESTIMATES (10-Year Cumulative)	Total	Construction
Total Jobs Supported	298	15
Total Payroll Supported	\$112,924,870	\$686,481
Total Output Estimate	\$711,662,771	\$2,365,947

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	\$628,044	\$3,841,536	\$4,469,580
Sales	\$60,938	\$2,055,188	\$2,116,126
Lodging	\$0	\$115,621	\$115,621
<b>State Taxes</b>			
Property	\$34,350	\$223,679	\$258,029
Sales	\$709,500	\$700,134	\$1,409,634
Modified Business	\$741,446	\$662,899	\$1,404,345
Lodging	\$0	\$39,022	\$39,022
<b>Total</b>	<b>\$2,174,278</b>	<b>\$7,638,079</b>	<b>\$9,812,357</b>

**EMPLOYEE BENEFITS**

- Percentage of health insurance covered by company: 65%.
- Health care package cost per employee - \$3,400 annually with options for dependents.
- PTO/Sick/Vacation, Merit Increases, 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 Boca Raton, FL, Tucson, AZ and Medford, OR as potential locations.



May 11, 2018

Mr. Paul Anderson  
Nevada Governor's Office of Economic Development  
555 E. Washington Avenue, Suite 5400  
Las Vegas, Nevada 89101

Dear Mr. Anderson:

KRS Global is applying to the State of Nevada for tax abatement incentives to include the Sales and Use Tax Abatement, Personal Property Tax Abatement and Modified Business Tax Abatement. We request that KRS Global be placed on the agenda for the May 17, 2018 GOED Board meeting.

KRS Global will hire 50 new employees in the first 24 months of operations, making an average hourly wage of \$25.00. The company will make a capital investment of \$34,500,000.

The Las Vegas Global Economic Alliance has reviewed KRS Global's application and found it to be in compliance with the statutory requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Walsh", with a long, sweeping horizontal flourish extending to the right.

Michael Walsh  
VP Economic Development  
Las Vegas Global Economic Alliance



791 Park of Commerce Blvd.  
Suite 600  
Boca Raton, FL 33487  
888.502.2050  
www.krsbio.com

April 18, 2018

Paul Anderson  
Executive Director  
Nevada Governor's Office of Economic Development  
555 E. Washington Avenue – Suite 5400  
Las Vegas, NV 89101

Mr. Anderson:

KRS Global Biotechnology, headquartered in Boca Raton, Florida, is an industry leading FDA registered and inspected 503b Human Outsourcing Facility that provides sterile, non-sterile and sterile intravenous admixture compounding services to patients, surgery centers, ophthalmology clinics, universities and hospitals nationwide. Our company is committed to being the top provider of these compounding services while developing quality processes that facilitates the highest level of safety for patients of parenteral, enteral, oral and topical preparations.

KRS's annual sales projections for the 2018 calendar year are expected to top \$30,000,000. As a result of the increased demand for the company's products and services, KRS's capacity must be expanded to provide additional manufacturing, R&D and warehousing operations. The company's continued market share growth has forced us to look for additional manufacturing operations in the Pacific Time Zone. A second facility would help KRS to better serve our West Coast clients and provide the company much needed redundancy given the threat of hurricanes we currently experience in Florida.

KRS is currently evaluating the construction of a licensed pharmaceutical manufacturing facility. The new facility would be 150,000 sq. ft. of newly constructed space that would house new clean rooms, production lines and warehousing. Working with a Nevada commercial real estate broker, we have identified leased space that could potentially work in the short term while we look to locate property for the build-to-suit option. Additionally, KRS plans to add 160 full-time jobs, with the exception of a few, most of the positions will be filled by local Las Vegas workforce talent.

As KRS continues to be aggressively recruited by other states offering substantial incentive packages, Nevada's State and local incentives will play a crucial role in the company's decision to locate in the metro Las Vegas, Nevada area. Availability of incentives to help offset project expenditures and narrow the cost gap between other locations under consideration will help KRS make the financial case for the move.

My team looks forward to further discussions relating to a Nevada location decision. Thank you for your interest in KRS Global Biotechnology. I may be biased, but our company's commitment to its employees and customers makes it the greatest place to work. Our community involvement extends beyond our walls as we challenge our team to be the best corporate citizen in every locale we call home.

Sincerely,

Riccardo Roscetti  
President & CEO

**ECONOMIC DEVELOPMENT**

**Incentive Application**

Company Name: KRS Global Biotechnology

Date of Application: April 18, 2018

Company is an / a: (check one)

- New location in Nevada
- Expansion of a Nevada company

**Section 1 - Type of Incentives**

Please check all that the company is applying for on this application:

- Sales & Use Tax Abatement
- Modified Business Tax Abatement
- Personal Property Tax Abatement
- Sales & Use Tax Deferral
- Recycling Real Property Tax Abatement
- Other: \_\_\_\_\_

**Section 2 - Corporate Information**

COMPANY NAME (Legal name under which business will be transacted in Nevada)			FEDERAL TAX ID #
KRS Global Biotechnology			65-1099340
CORPORATE ADDRESS	CITY / TOWN	STATE / PROVINCE	ZIP
791 Park of Commerce Boulevard - Suite 600	Boca Raton	FL	33487
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER	WEBSITE		
888-502-2050	<a href="http://www.krsbio.com">www.krsbio.com</a>		
COMPANY CONTACT NAME	COMPANY CONTACT TITLE		
Riccardo Roscetti	President & CEO		
E-MAIL ADDRESS	PREFERRED PHONE NUMBER		
<a href="mailto:rickroscetti@krsbio.com">rickroscetti@krsbio.com</a>	888-502-2050		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development?  Yes  No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

**Section 3 - Program Requirements**

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- In urban areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly wage in rural areas, the average hourly wage will equal or exceed the lesser of the county-wide average hourly wage or statewide average hourly wage.

Note: Criteria is different depending on whether the business is in a county whose population is 100,000 or more or a city whose population is 60,000 or more (i.e., "urban" area), or if the business is in a county whose population is less than 100,000 or a city whose population is less than 60,000 (i.e., "rural" area).

**Section 4 - Nevada Facility**

Type of Facility:

- Headquarters
- Technology
- Back Office Operations
- Research & Development / Intellectual Property
- Service Provider
- Distribution / Fulfillment
- Manufacturing
- Other: \_\_\_\_\_

<b>PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA</b>	<b>EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR)</b>		
95%	Jan-2019		
NAICS CODE / SIC	INDUSTRY TYPE		
325412	Pharmaceutical Manufacturing/Pharmaceutical Compounding		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS			
KRS's Nevada operations will be a licensed pharmaceutical manufacturing facility consisting of approximately a total of 150,000 sq. ft.			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS	CITY / TOWN	COUNTY	ZIP
1710 Whitney Mesa Drive	Henderson	Clark County	89014
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP?			
Boca Raton, FL Tucson, AZ and Medford, OR			

**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</u></p> <p>How much space (sq. ft.)? <u>35,000</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>Aug-2018</u></p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? _____</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 style="border-top: 1px dashed black;"/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? <u>Yes</u></p> <p><b>If Yes *, continue below:</b></p> <p>When to break ground, if building (month, year)? <u>Jan-2019</u></p> <p>Estimated completion date, if building (month, year): <u>Jun-2020</u></p> <p>How much space (sq. ft.)? <u>115,000</u></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 style="border-top: 1px dashed black;"/> <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 style="border-top: 1px dashed black;"/> <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>
<p><b>* Please complete Section 7 - Capital Investment for New Operations / Startup.</b></p>	<p><b>* Please complete Section 7 - Capital Investment for Expansions below.</b></p>

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

**Section 7 - Capital Investment (Fill in either New Operations/Startup or Expansion, not both.)**

New Operations / Start Up	Expansions
How much capital investment is planned? (Breakout below):  Building Purchase (if buying): _____ Building Costs (if building / making improvements): <u>\$1,500,000</u> Land: _____ Equipment Cost: <u>\$34,500,000</u> <b>Total: <u>\$36,000,000</u></b>	How much capital investment is planned? (Breakout below):  Building Purchase (if buying): _____ Building Costs (if building / making improvements): _____ Land: _____ Equipment Cost: _____ <b>Total: _____</b>  Is the equipment purchase for replacement of existing equipment? _____ Current assessed value of personal property in NV: _____ (Must <b>attach</b> the most recent assessment from the County Assessor's Office.)

**Section 8 - Employment (Fill in either New Operations/Startup or Expansion, not both.)**

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of new operations?: <u>50</u> Average hourly wage of these <u>new</u> employees: <u>\$25.00</u>	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: _____ Average hourly wage of these <u>new</u> employees: _____  How many FTE employees prior to expansion?: _____ Average hourly wage of these <u>existing</u> employees: _____  Total number of employees after expansion: _____

\* FTE represents a permanent employee who works an average of 30 hours per week or more, is eligible for health care coverage, and whose position is a "primary job" as set forth in NAC 360.474.

OTHER COMPENSATION (Check all that apply):

<input type="checkbox"/> Overtime	<input checked="" type="checkbox"/> Merit increases	<input type="checkbox"/> Tuition assistance	<input checked="" type="checkbox"/> Bonus
<input checked="" type="checkbox"/> PTO / Sick / Vacation	<input type="checkbox"/> COLA adjustments	<input checked="" type="checkbox"/> Retirement Plan / Profit Sharing / 401(k)	<input type="checkbox"/> Other: _____

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):

**Section 9 - Employee Health Insurance Benefit Program**

Is health insurance for employees and an option for dependents offered?:  Yes (**copy of benefit plan must be attached**)  No

Package includes (check all that apply):  
 Medical  Vision  Dental  Other: 401k & Life

Qualified after (check one):  
 Upon employment  Three months after hire date  Six months after hire date  Other: \_\_\_\_\_

Health Insurance Costs:	Percentage of health insurance coverage by (min 65%):
Cost of health insurance for company (annual amount per employee): <u>\$ 3,400.00</u>	Company: <u>65%</u>
Health Plan annual out-of-pocket maximum (individual): <u>\$ 2,700.00</u>	Employee: <u>35%</u>

[SIGNATURE PAGE FOLLOWS]

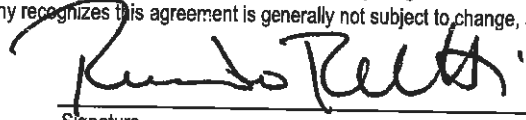
**Section 10 - Certification**

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.

Riccardo Roscetti

Name of person authorized for signature



Signature

President & CEO

Title

April 18, 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: KRS Global Biotechnology

County: Clark

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### Section I - 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.

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Availability of qualified workforce:	<u>5</u>	Transportation infrastructure:	<u>3</u>
Labor costs:	<u>3</u>	Transportation costs:	<u>2</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>3</u>	Business permitting & regulatory structure:	<u>4</u>
Utility costs:	<u>4</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):

The abatement programs play a critical role in helping a Nevada location decision. KRS is being aggressively recruited by other states offering substantial incentive packages. Location at/near a life sciences cluster, reduction in facility costs, talent availability, cash grants, training assistance and the aforementioned abatements are all important in the company's decision. The availability of incentives to help offset project expenditures and narrow the cost gap between the other areas under consideration is extremely important.



## 5(A) Capital Equipment List

Company Name: KRS Global Biotechnology

County: Clark

### Section I - Capital Equipment List

Directions: Please provide an estimated list of the equipment [columns (a) through (c)] which the company intends to purchase over the two-year allowable period. For example, if the effective date of new / expanded operations begins April 1, 2015, the two-year period would be until March 31, 2017. Add an additional page if needed. For guidelines on classifying equipment, visit:

tax.nv.gov/LocalGovt/PolicyPub/ArchiveFiles/Personal\_Property\_Manuals. Attach this form to the Incentives Application.

(a) Equipment Name/Description	(b) # of Units	(c) Price per Unit	(d) Total Cost
Phase 1:			
Comecer Sterile IV Line	1	\$3,500,000.00	\$3,500,000.00
Comecer Syringe Fill Line	2	\$1,600,000.00	\$3,200,000.00
WFI System & Supporting Utilities	1	\$1,500,000.00	\$1,500,000.00
Laminar Flow/BSC	30	\$20,000.00	\$600,000.00
Autoclaves	2	\$250,000.00	\$500,000.00
WFI Storage Tanks	1	\$400,000.00	\$400,000.00
SAP and Beas	1	\$400,000.00	\$400,000.00
MSM Packaging	2	\$150,000.00	\$300,000.00
Cleanroom ISO Upgrade	1	\$250,000.00	\$250,000.00
Ovens	1	\$250,000.00	\$250,000.00
Atec Group	1	\$150,000.00	\$150,000.00
CIMT Techniques, Inc.	1	\$150,000.00	\$150,000.00
Office Remediation	1	\$150,000.00	\$150,000.00
Vault	2	\$60,000.00	\$120,000.00
Warehouse Improvements	1	\$100,000.00	\$100,000.00
Scales/Floor Scales	20	\$5,000.00	\$100,000.00
HPLC	2	\$45,000.00	\$90,000.00
Orbital Welder	1	\$80,000.00	\$80,000.00
Cold Storage	2	\$40,000.00	\$80,000.00
Marcor Fogging System	1	\$60,000.00	\$60,000.00
Fork Lifts	2	\$30,000.00	\$60,000.00
VWR	3	\$18,000.00	\$54,000.00
Oil & Oil Free Compressors	2	\$25,000.00	\$50,000.00
Incubators	5	\$5,000.00	\$25,000.00
TOC - Lab Equipment	1	\$25,000.00	\$25,000.00
EM Viable Air Samplers	3	\$8,000.00	\$24,000.00
Lab Water System	1	\$15,000.00	\$15,000.00
pH Meters	15	\$1,000.00	\$15,000.00
DI System	1	\$10,000.00	\$10,000.00
Stir Plates	20	\$200.00	\$4,000.00
Osmo	1	\$3,000.00	\$3,000.00
Labeling/Package Department	1	\$500,000.00	\$500,000.00
Phase 2:			
Servicor Cleanrooms	8	\$500,000.00	\$4,000,000.00
Laminar Flow/BSC	60	\$20,000.00	\$1,200,000.00
Millrock Technology	2	\$750,000.00	\$1,500,000.00
NJM Packaging	2	\$95,000.00	\$190,000.00
Comecer Sterile IV Line	2	\$3,500,000.00	\$7,000,000.00
Comecer Syringe Fill Line	4	\$1,600,000.00	\$6,400,000.00
WFI System & Supporting Utilities	1	\$1,500,000.00	\$1,500,000.00
<b>TOTAL EQUIPMENT COST</b>			<b>\$34,555,000.00</b>

Is any of this equipment\* to be acquired under an operating lease?

Yes

No

\*Certain lease hold equipment does not qualify for tax abatements

## 5(B) Employment Schedule

Company Name: KRS Global Biotechnology

County: Clark

### Section 1 - Full-Time Equivalent (FTE) Employees

Directions: Please provide an estimated list of full time employees [columns (a) through (d)] that will be hired and employed by the company by the end of the first eighth quarter of new / expanded operations. For example, if the effective date of new / expanded operations is April 1, 2015, the date would fall in Q2, 2015. The end of the first eighth quarter would be the last day of Q2, 2017 (i.e., June 30, 2017). Attach this form to the Incentives Application.

A qualified employee must be employed at the site of a qualified project, scheduled to work an average minimum of 30 per week, if offered coverage under a plan of health insurance provided by his or her employer, is eligible for health care coverage, and whose position of a "primary job" as set forth in NAC 360.474.

(a) New Hire Position Title/Description	(b) Number of Positions	(c) Average Hourly Wage	(d) Average Weekly Hours	(e) Annual Wage per Position	(f) Total Annual Wages
See Attached Head Count Sheet					
<b>TOTAL</b>	<b>50</b>			<b>\$52,000.00</b>	<b>\$2,600,000.00</b>

### Section 2 - Employment Projections

Directions: Please estimate full-time job growth in Section 2, complete [columns (b) through (c)]. These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of employment. **Please enter the estimates on a year by year basis (not cumulative amounts)**

(a) Year	(b) Number of FTE(s) Projected	(c) Average Hourly Wage	(d) Payroll
3-Year	20	\$25.00	\$1,040,000.00
4-Year	50	\$25.00	\$2,600,000.00
5-Year	40	\$25.00	\$2,080,000.00

Department	Title	Annual Base Salary	Hourly	Jobs Per Category	Gross Wage Per Category	Year 1 (Aug 2018 - July 2019 (Whitney Site))	Year 2 (Aug 2019 - July 2020 (Whitney Site))	Year 3 (Aug 2020 - July 2021 (Whitney Site))	Year 4 (Aug 2021 - July 2022 (TBD Site))	Year 5 (Aug 2022 - July 2023 (TBD Site))
Administrative	Receptionist	\$ 30,000	14	2	\$ 60,000		1		1	
Administrative	Office Manager	\$ 40,000	19	2	\$ 80,000		1		1	
Customer Service	Customer Service Representative	\$ 30,000	14	2	\$ 60,000		1		1	
Customer Service	Customer Service Representative	\$ 30,000	14	2	\$ 60,000		1		1	
Customer Service	Customer Service Representative	\$ 30,000	14	2	\$ 60,000			1		1
Customer Service	Customer Service Representative	\$ 30,000	14	2	\$ 60,000			1		1
Finance	Inventory Analyst	\$ 51,000	25	2	\$ 102,000		1		1	
HR	HR Manager	\$ 70,000	34	2	\$ 140,000	1			1	
HR	HR Analyst	\$ 50,000	24	2	\$ 100,000			1		1
IT	IT Specialist - Infrastructure	\$ 80,000	38	2	\$ 160,000	1			1	
IT	IT Specialist -Software	\$ 80,000	38	2	\$ 160,000	1			1	
Engineering & Maintenance	Calibration & Maintenance Manager	\$ 100,000	48	2	\$ 200,000	1			1	
Engineering & Maintenance	Technical Services Manager	\$ 100,000	48	2	\$ 200,000	1			1	
Engineering & Maintenance	Calibration Tech	\$ 60,000	29	2	\$ 120,000	1			1	
Engineering & Maintenance	Maintenance Tech	\$ 40,000	19	2	\$ 80,000	1			1	
Materials Management	Materials Management Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Materials Management	Materials Management Technician	\$ 45,000	22	1	\$ 45,000					1
Materials Management	Purchasing	\$ 70,000	34	2	\$ 140,000		1			1
Operations	Director of Operations	\$ 100,000	48	2	\$ 200,000	1			1	
Pharmacy	Pharmacist in Charge	\$ 175,000	84	2	\$ 350,000	1			1	
Pharmacy	Pharmacist	\$ 120,000	58	2	\$ 240,000		1			1
Pharmacy	Pharmacist	\$ 120,000	58	2	\$ 240,000		1			1
Pharmacy	Pharmacist	\$ 120,000	58	2	\$ 240,000			1		1
Production	Production Manager	\$ 100,000	48	2	\$ 200,000	1			1	
Production	Production Supervisor	\$ 60,000	29	2	\$ 120,000	1			1	
Production	Production Supervisor	\$ 60,000	29	2	\$ 120,000		1			1
Production	Production Supervisor	\$ 60,000	29	2	\$ 120,000			1		1
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000	1			1	
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000			1		1
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000			1		1
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000			1		1
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000			1		1
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000			1		1
Production	Manufacturing Technician	\$ 45,000	22	2	\$ 90,000			1		1
Production	Cleaning / Prep Technicians	\$ 35,000	17	2	\$ 70,000	1			1	
Production	Cleaning / Prep Technicians	\$ 35,000	17	2	\$ 70,000	1			1	
Production	Cleaning / Prep Technicians	\$ 35,000	17	2	\$ 70,000			1		1
Production	Cleaning / Prep Technicians	\$ 35,000	17	2	\$ 70,000			1		1
Production	Visual Inspections	\$ 30,000	14	2	\$ 60,000		1		1	
Production	Visual Inspections	\$ 30,000	14	2	\$ 60,000		1		1	
Production	Visual Inspections	\$ 30,000	14	2	\$ 60,000			1		1
Production	Visual Inspections	\$ 30,000	14	2	\$ 60,000			1		1

Quality Assurance	Quality Assurance Director	\$ 100,000	48	2	\$ 200,000	1			1		
Quality Assurance	Quality Assurance Manager	\$ 75,000	36	2	\$ 150,000		1			1	
Quality Assurance	QA Specialist	\$ 45,000	22	2	\$ 90,000	1			1		
Quality Assurance	QA Technician	\$ 35,000	17	2	\$ 70,000		1			1	
Quality Assurance	QA Technician	\$ 35,000	17	1	\$ 35,000			1			
Quality Assurance	Doc Control	\$ 35,000	17	2	\$ 70,000	1			1		
Quality Assurance	Label Control Technician	\$ 60,000	29	2	\$ 120,000		1		1		
Quality Assurance	Label Technician	\$ 40,000	19	2	\$ 80,000		1		1		
Quality Assurance	Packaging and Labeling Supervisor	\$ 35,000	17	2	\$ 70,000		1		1		
Quality Assurance	Packaging and Labeling Technician	\$ 25,000	12	2	\$ 50,000		1		1		
Quality Assurance	Packaging and Labeling Technician	\$ 25,000	12	2	\$ 50,000		1		1		
Quality Assurance	Packaging and Labeling Technician	\$ 25,000	12	2	\$ 50,000			1		1	
Quality Assurance	Packaging and Labeling Technician	\$ 25,000	12	2	\$ 50,000			1		1	
Quality Assurance	Packaging and Labeling Technician	\$ 25,000	12	2	\$ 50,000			1		1	
Quality Assurance	CMGP Trainer	\$ 70,000	34	2	\$ 140,000	1			1		
Quality Control	Lab Manager	\$ 100,000	48	2	\$ 200,000		1			1	
Quality Control	Process Scientist	\$ 100,000	48	2	\$ 200,000	1			1		
Quality Control	Analytical Chemist	\$ 40,000	19	2	\$ 80,000		1			1	
Quality Control	Analytical Chemist	\$ 40,000	19	2	\$ 80,000			1		1	
Quality Control	Enviromental Monitoring Technician	\$ 40,000	19	2	\$ 80,000	1			1		
Quality Control	Enviromental Monitoring Technician	\$ 40,000	19	2	\$ 80,000	1			1		
Quality Control	Enviromental Monitoring Technician	\$ 40,000	19	2	\$ 80,000		1			1	
Shipping	Shipping Supervisor	\$ 60,000	29	2	\$ 120,000		1		1		
Shipping	Shipping Clerk	\$ 35,000	17	2	\$ 70,000		1		1		
Shipping	Shipping Clerk	\$ 35,000	17	2	\$ 70,000		1		1		
Shipping	Shipping Clerk	\$ 35,000	17	2	\$ 70,000			1		1	
Shipping	Shipping Clerk	\$ 35,000	17	2	\$ 70,000			1		1	
					<b>160</b>	<b>\$ 8,322,002</b>	<b>32</b>	<b>25</b>	<b>23</b>	<b>48</b>	<b>32</b>

**Average Wage: \$ 52,013**

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

Company Name: KRS Global Biotechnology County: Clark

Total Number of Full-Time Employees: 160

Average Hourly Wage per Employee \$25.00  
 Average Annual Wage per Employee (implied) \$52,000.00

Annual Cost of Health Insurance per Employee \$3,400.00  
 Percentage of Cost Covered by:  
     Company 65%  
     Employee 35%

Health Plan Annual Out-of-Pocket Maximum \$2,700

**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 3.5% MMQ

Annual Out-of-Pocket Maximum not to exceed \$7,150 (2017) \$2,700 MMQ

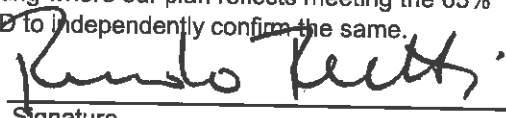
Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services
- (B) Emergency services
- (C) Hospitalization
- (D) Maternity and newborn care
- (E) Mental health/substance use disorder/behavioral health treatment
- (F) Prescription drugs
- (G) Rehabilitative and habilitative services and devices
- (H) Laboratory services
- (I) Preventive and wellness services and chronic disease management
- (J) Pediatric services, including oral and vision care

No Annual Limits on Essential Health Benefits

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 employe paid portion of the plan for GOED to independently confirm the same.

Riccardo Roscetti  
 Name of person authorized for signature

  
 Signature

President & CEO  
 Title


4/16/2018  
 Date

**Quality  
is Our Promise.**



*Our goal at KRS Global Biotechnology is to provide the highest quality pharmaceutical preparations. We accomplish this with an unrivaled quality assurance and quality control program focusing on strict compliance with current Good Manufacturing Practices (cGMP) and U.S. Pharmacopeia (USP) standards.*

AN FDA HUMAN OUTSOURCING FACILITY



**KRS is the industry leading FDA registered and inspected 503b Human Outsourcing Facility that provides sterile, non-sterile and sterile intravenous admixture compounding services to patients, surgery centers, ophthalmology clinics, universities and hospitals nationwide.**

**KRS is committed to being the top provider of these compounding services while developing quality processes that facilitates the highest level of safety for patients of parenteral, enteral, oral and topical preparations.**



**KRS GLOBAL**  
**BIOTECHNOLOGY**  
AN FDA HUMAN OUTSOURCING FACILITY





## WORLD CLASS PREPARATIONS

Our team of professionals is dedicated to delivering the most effective preparations possible, to meet patients' and health care professionals' needs.

In November of 2013, President Barack Obama signed into law the Compounding Quality Act which states that the compounding industry be made to follow certain guidelines to ensure safety and quality of the products they prepare. Far removed from the days of mortar and pestle compounding, we are now known as a 503B Human Outsourcing Facility.

### OUR CORPORATE VISION:

- To provide the highest quality pharmaceutical medications in a timely manner without compromising patient safety
- To set the standard for all other human outsourcing facilities through utilization of manufacturer guidelines

### WHO IS KRS GLOBAL BIOTECHNOLOGY?

- Outsourcing facility specializing in sterile injectables and other superior preparations
- Compliance with cGMP—Held to same standards as FDA registered manufacturers
- Specific reporting requirements, including source of ingredients
- Accountability, traceability, and trackability of all preparations
- Validations and closed-system automations that mirror those of pharmaceutical manufacturers
- Double sterilization process: filter and terminal sterilization utilizing autoclave
- Quality assurance with a full analytical laboratory

*We test  
for sterility,  
endotoxins and  
dosage.*

**THE KRS  
QUALITY PROMISE**

The FDA is encouraging all hospitals, surgical centers, universities and ophthalmologists to utilize the services of a registered and inspected 503B outsourcing facility to meet their admixing, repackaging and compounding needs. As the laws continue to evolve, only 503B facilities will be able to fill your hospital use needs.

# 503B CAPABILITIES AND SERVICES

At KRS we provide innovative, effective, and safe solutions to some of the greatest challenges in today's medical environment.

## SPECIALIZING IN:

Sterile, non-sterile and sterile intravenous admixture compounding services performed in a quality controlled, closed-system, automated environment.

## OUR CUSTOMERS

- Hospitals
- Medical Centers
- Surgical Centers
- Universities
- Ophthalmologists
- IV Centers

## OUR CUSTOMERS RELY ON US FOR:

- Our ability to ship for hospital use in states where the law allows
- Specialized drugs for patients which typical pharmacies cannot satisfy
- Custom dosages and delivery methods available upon request
- Testing of preparations with in-house, state-of-the-art quality control equipment
- Shipping nationwide with next day delivery

## AVAILABLE DOSAGE FORMS

- Injectables
- Capsules/Tablets
- Lozenges/Troches
- Rectal & Vaginal Suppositories
- Nasal Sprays
- Oral Rinses
- Sublingual Drops
- Sublingual Tablets
- Topical Ointments
- Topical Sprays
- Topical Creams
- Topical Gels
- Topical Solutions
- Oral Solutions
- Oral Suspensions
- Cartridges
- IV Bags
- Lyophilized Vials
- Ophthalmic Ointments
- Ophthalmic Solutions
- Ophthalmic Suspensions

**SAFE  
EFFECTIVE  
INNOVATIVE**



## **IN-PROCESS TESTING**

We now have the unique ability to switch once and for all from retrospective to real time microbial control.

Industry trends show that our partners have moved from a mere reliance on finished product testing towards comprehensive “in-process” testing at every crucial stage of production. This shift is especially critical to the Pharmaceutical industry, where microbial contamination is a prime concern. Delays associated with the traditional 14 day growth stage have motivated this shift in emphasis. These delays in microbial testing can directly impact effective consumer protection. With our leading edge equipment, we eliminate these possibilities.



### **BIOBURDEN TESTING**

- Testing for the amount of CFUs (bacteria) present in a preparation before sterilization via filtration

### **DOSAGE TESTING TO ENSURE ACCURACY**

### **BUBBLE-POINT FILTER TESTING**

- Testing to ensure filter functionality after sterilization

# LEADING EDGE EQUIPMENT

We test 100% of the injectable products compounded for sterility, potency, pH, and endotoxins.

## **IR-SPECTROMETER | PERKIN ELMER SPECTRUM 100 FT-IR**

- Allows for a quick identification of every active pharmaceutical ingredient (API) received at our facility

## **HIGH PERFORMANCE LIQUID CHROMATOGRAPHY:**

- LaCHROM ULTRA L-2160U HPLC/MASS SPECTROMETRY
- LaCHROM ELITE L-2200 HPLC

- Determines the potency of the medications we prepare

## **GAS CHROMATOGRAPHY/MASS SPECTROMETRY | PERKINS ELMER CLARUS 600 GAS CHROMATOGRAPH**

- Provides identification of molecular content based on characteristic fragmentation patterns at specific retention times
- Detects benzyl alcohol preservative content

## **STABILITY CHAMBERS | LABONCE**

- Temperature-controlled, humidity-controlled environmental unit that provides stable conditions for storage and testing of our pharmaceutical preparations
- Confirms expiration dates on products for beyond use date

## **STATE-OF-THE-ART CLEANROOMS AND LAMINAR AIR FLOW HOODS**

- Independent, semi-annual certifications of our clean rooms and laminar air flow hoods
- Monthly independent lab tests of air and surface samples
- Daily monitoring and documentation of clean-room temperature and humidity
- Our entire general compounding lab is engineered with a HEPA filtration system to further reduce particulates

## **METTLER TOLEDO - QUANTOS**

- Provides for accurate dosing down to the microgram
- Doses automatically with interchangeable dosing heads
- High-precision engineering and intelligent electronics ensure that the heads are tailored to the dosing device

- UV/VIS
- HPLC
- TITRATION METHOD
- OSMOMETER



## COMPETITIVE EDGE

We perform different tests for potency depending on the specification of the compound according to USP guidelines, with same day results available on most preparations.

### CHEMSCAN RDI CHEMUNEX RAPID SCAN

- Can detect and identify microorganisms in three hours (this scan is run in parallel to the traditional injection method with a 14 day incubation period)
- Real-time detection of microorganisms in filterable samples with a sensitivity down to one cell
- Provides total traceability for each analyzed sample

### UV/VIS SPECTROPHOTOMETER

- We use this quantitative instrument to measure the absorption of a solution to determine concentration

### TITRIMETRY

- Is also used to determine concentration of in-process and final products following USP guidelines

### OSMETTE XL

- The Osmette is a precise instrument for measuring freezing point depression
- The freezing point of a solution is a measurement of the solution's concentration, and the Osmette allows for a very accurate method for determining concentration

### ENDOTOXIN TESTING

- 100% testing is performed on all sterile injectable compounds
- A quantitative in-vitro end-point test and a qualitative test (depending on the compound) is used to detect endotoxins present in all injectables

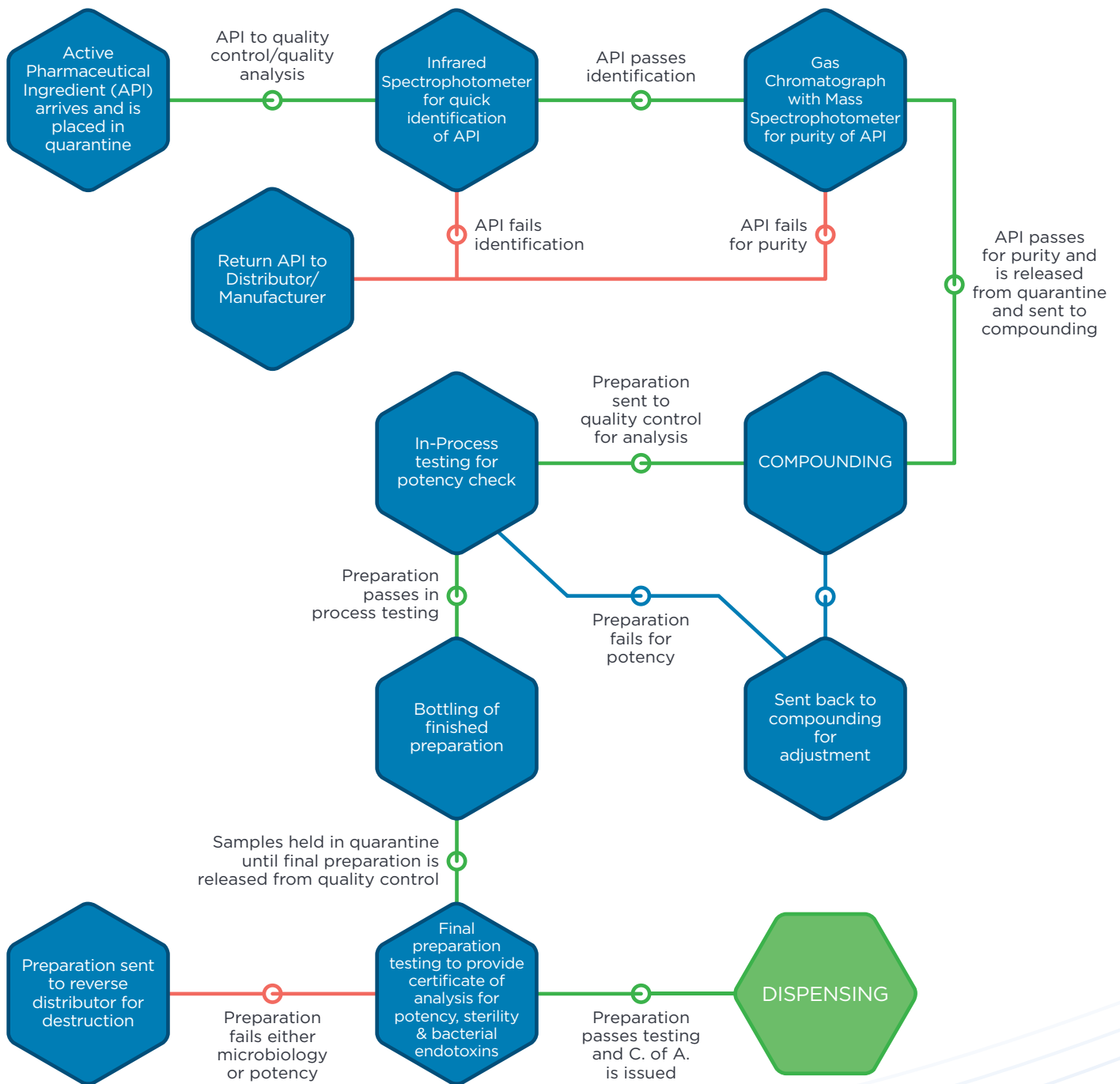
*All instruments are IQ, OQ and PM'ed annually.*

**THE KRS  
QUALITY PROMISE**

# Non-Sterile-to-Sterile Quality Control Protocol

At KRS, we value the welfare of your patients' health needs. We follow strict quality control procedures as per the standards of our analytical lab testing.

You can be confident that all of the medications we compound have been reviewed, analyzed and verified according to recognized standards for purity, concentration, endotoxins, sterility and other related attributes. Certificates of Analysis are available for all sterile injectable preparations.





## ENHANCED ASSURANCES

The advantages of an FDA Human Outsourcing Facility with unmatched quality assurances and the advanced technology of a pharmaceutical.

At KRS, the quality of the compounds we provide directly affects the care your patients receive. We make no compromises; our compounding processes implement the highest standards of quality control and testing equipment. These processes greatly exceed that of most compounding pharmacies in the United States.

*Our staff  
includes expert  
microbiologists,  
biochemists, chemists  
and PhDs*

**THE KRS  
QUALITY PROMISE**

On-site biochemists and microbiologists adhere to the strictest quality control measures, ensuring that your patients receive the highest quality compounds. Moreover, having an in-house, state-of-the-art analytical laboratory allows us to fully certify and conduct “in-process testing” with same-day results on final products. This is a clear advantage when it comes to assuring the identity, concentration, quality, and purity of compounds. This protocol allows us to complete a certificate of analysis before a compound is made available to our partners, eliminating the possibility of errors and identifying any potential risks.

***KRS Global is a diversified company and a leader in providing innovative products and services to sustainable growth markets. Our capabilities include manufacturing, contract manufacturing, clinical research, FDA 503b Outsourcing and Life Sciences.***

*We provide leadership, resources, information, and a learning environment to enable all associates to be creative and innovative in their pursuit of continuous improvement. Our associates understand that taking care of our customers is number one. We believe our final responsibility is to ensure that all our partners find their success in ours.*

503b  
Compounding  
Services

Manufacturing  
Services

CMO  
Services

Life  
Sciences





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Boca Raton, Florida 33487

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