

Acorn Pulp Group, LLC
3686 East Olympic Blvd, Los Angeles CA 90023
Company Representative - David Doherty, Chief Strategy Officer
Manufacturing - Paper Products

Date: December 2, 2020
Meeting Location: Virtual

Regional Development Authority:
Stan Thomas, EDAWN

APPLICATION HIGHLIGHTS

- Acorn Pulp Group, LLC (Acorn Pulp Group) plans to establish a headquarters, distribution, and manufacturing facility in Washoe County.
- For the construction phase of the project, the company will hire and engage local trade professionals to oversee and perform the required work as well as purchase material and parts from local businesses including the use of rental equipment and other ancillary services to complete the projects.
- The company will seek to hire employees from the Reno and surrounding areas helping to enhance and support the local economies and communities in which they live through charitable giving, sponsorships, and employee volunteerism (programs to support special needs organizations and youth engagement programs).

COMPANY PROFILE

Acorn Pulp Group is a manufacturing company which will provide environmentally friendly and sustainable molded fiber packaging solutions to a myriad of end markets primarily within the western United States. The company is currently headquartered in Los Angeles, CA and has 250 employees with over 500,000 square feet of warehouse space. The company is an industry leader in the Green movement, based on its strong commitment to initiatives related to environmental issues, and is actively engaged in the process of expanding its already extensive and diverse product lines with the latest biodegradable and eco friendly packaging products. The company is excited to have committed customers ready to buy its products with a majority of the anticipated initial volume shipped into the Northern California wine markets. Acorn Pulp Group cares about its employees and will ensure a safe environment and rewarding careers, for its Nevada employees, in conjunction with highly competitive wages and salaries, bonus opportunities, and robust health and retirement plans. *Source: Acorn Pulp Group, LLC*

Business License: ☐ Current ☐ Pending ☒ Has confirmed will comply

** Company has confirmed it will obtain all relevant registrations and business licenses upon becoming established in Nevada. GOED contractually requires a company to do so.*

Industry & Nevada Operations: Manufacturing - Paper Products

Location: Washoe County

INCENTIVES

Application:	New			
Requirements:	<u>Statutory</u>	<u>Application</u>	<u>Sufficient</u>	<u>% Over / Under</u>
Job Creation	50	54	Yes	8%
Average Wage	\$24.16	\$24.33	Yes	1%
Equipment Capex (SU & MBT)	\$1,000,000	\$5,537,500	Yes	454%
Equipment Capex (PP)	\$5,000,000		Yes	11%
Abatements:	<u>Requested Terms</u>	<u>Estimated \$ Amount</u>		
Sales Tax Abmt.	2% for 2 years	\$346,924		
Modified Business Tax Abmt.	50% for 4 years	\$61,285		
Personal Property Tax Abmt.	50% for 10 years	\$208,497		
Total:		\$616,706		

EMPLOYEE BENEFITS

Health Insurance: Company Coverage of employee healthcare premiums: 70%

Other Benefits Offered: Overtime, PTO/Sick/Vacation, Merit Increases, Tuition Assistance, Retirement Plan / Profit Sharing / 401(k), Bonus

SIGNIFICANCE OF ABATEMENTS

Company: **The company is also considering Sacramento, CA as a potential location.** Acorn Pulp Group is a small private company with limited capital resources, especially as impacted by COVID-19 and its uncertain sustained impact on the economy. The award of financial incentives and abatements are extremely important to the company and its ability to focus as much of its capital on supporting the anticipated cash flow deficiency during the start-up phase of the business plan, in the investment of machinery and equipment, and the ability to hire and retain the best employees and workforce. The abatements available through Nevada's economic development programs will significantly help Acorn Pulp Group achieve these goals. *Source: Acorn Pulp Group, LLC*

ECONOMIC IMPACT

Job Creation:	<u>Contracted</u>	<u>2-Year</u>	<u>5- Year</u>
	50	54	74
Other Capital Investments:	<u>Land</u>	<u>Building Purchase</u>	<u>BTS / Building Improvements</u>
	TBD	TBD	TBD
Economic Impact (10 Yrs. cumulative)	<u>Total</u>	<u>Construction</u>	
Total Jobs Supported	119	0	
Total Payroll Supported	\$54,606,181	\$0	
Total Output Estimate	\$340,433,164	\$0	

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

NEW TAX REVENUE ESTIMATES

Local Taxes	<u>Direct</u>	<u>Indirect</u>	<u>Total</u>
Property	\$198,813	\$1,743,358	\$1,942,171
Sales	\$0	\$869,638	\$869,638
Lodging	\$0	\$54,442	\$54,442
State Taxes	<u>Direct</u>	<u>Indirect</u>	<u>Total</u>
Property	\$9,684	\$103,561	\$113,245
Sales	\$110,750	\$338,558	\$449,308
Modified Business	\$311,198	\$314,935	\$626,133
Lodging	\$0	\$18,147	\$18,147
Total	\$630,445	\$3,442,639	\$4,073,084

NOTES:

- Percentage of revenue generated by the new jobs contained in this application from outside Nevada: 75%.



October 20, 2020

Mr. Michael Brown
Executive Director
Governor's Office of Economic Development
808 West Nye Lane
Carson City, NV 89703

Re: Acorn Pulp Group

Dear Michael;

EDAWN hereby supports the application of Acorn Pulp Group for the Sales and Use Tax Abatement, Modified Business Tax Abatement and the Personal Property Tax Abatement, and the Sales and Use Tax Deferral incentives.

Acorn Pulp Group is a manufacturer of sustainable molded fiber packaging solutions. The company plans to relocate from Los Angeles, CA and open a new facility and corporate headquarters in Washoe County with plans to commence operations by third quarter 2021.

The company will be creating 54 jobs by the end of Y2 with an average wage of \$24.33 per hour. Capital equipment investments in state-of-the-art molding equipment are estimated to be \$5,537,500.

70% of the employee medical, dental, and vision benefits are covered by Acorn Pulp Group and commences after 30 days of employment. Other benefits include Life insurance/ST/LT Disability, overtime, PTO/Sick/Vacation, merit increases, retirement plan/profit sharing/401K, COLA adjustment and bonus.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Stan Thomas".

Stan Thomas
EDAWN, Executive Vice-President, Business Development



October 21, 2020

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Ave. Suite 5400
Las Vegas, NV 89101

Dear Mr. Brown,

On behalf of Acorn Pulp Group, LLC and its members ("APG"), I am pleased to submit our application for the award of certain economic incentives and abatements as determined by the Nevada Governor's Office of Economic Development. APG is a special purpose entity owned and operated by the shareholders of Acorn West, LLC (David Weissberg, John Gilligan, and others); Gord Heyting; and Justin Haas, all of whom are active investors and operators in the packaging industry. APG, to be headquartered in the Reno area, is a manufacturing company which will provide environmentally friendly and sustainable molded fiber packaging solutions to a myriad of end markets primarily within the western United States. We estimate that we will commence operations by late third quarter of 2021. We are excited to have committed customers ready to buy our products with a majority of the anticipated initial volume shipped into the Northern California wine markets. We are eager to finalize our plans to determine the best location for our business and to understand the opportunities that may be available to us through the State of Nevada and other local programs.

We are focused on utilizing manufacturing solutions to help sustain and improve the environment. Our products will be made from 100% recycled paper waste which will help to re-direct an estimated 5,000 tons per year of post-consumer paper waste from ending up in landfills. We will be investing approximately \$5.5 million in new, state-of-the-art molding equipment which will consume energy efficiently while recycling and reusing water in our closed loop system. We are determined to locate this operation within a building that outpaces the latest environmental construction and operating standards. We care about the people that chose to come work for us. APG will ensure a safe working environment and provide rewarding careers for its over 50 employees with highly competitive wages and salaries along with bonus opportunity and robust health and retirement plans. We will seek to hire employees from the Reno and surrounding areas helping to enhance and support the local economies and communities in which they live through charitable giving, sponsorships, and employee volunteerism (programs to support special needs organizations and youth engagement programs).

APG is a small private company with limited capital resources, especially as impacted by covid-19 and its uncertain sustained impact on the economy. The award of financial incentives and abatements are extremely important to APG and its ability to focus as much of its capital on supporting the anticipated cash flow deficiency during the start-up phase of the business plan, in the investment of machinery and

equipment, and the ability to hire and retain the best employees and workforce. The abatements available to us through Nevada's economic development programs will significantly help us achieve these goals.

We are extremely excited about the business prospects and the long-term, lasting impact that locating APG in the State of Nevada will provide our investor group, our employees, our customers, and the communities in which we work and live. We are committed to building APG beyond the estimated investment metrics and employment levels outlined in the accompanying application. The award of the abatements will help to fuel this growth and provide a solid foundation to build upon for the many decades to come.

We are available at your convenience to discuss our plans in further detail.

Warmest Regards,

A handwritten signature in black ink, appearing to read "David Weissberg". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Weissberg".

David Weissberg
Chief Executive Officer/Managing Member
Acorn Pulp Group, LLC

ECONOMIC DEVELOPMENT**Incentive Application**Company Name: Acorn Pulp Group, LLCDate of Application: October 21, 2020

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) <u>Acorn Pulp Group, LLC</u>		FEDERAL TAX ID # <u>85-1949114</u>	
CORPORATE ADDRESS <u>3686 East Olympic Blvd</u>	CITY / TOWN <u>Los Angeles</u>	STATE / PROVINCE <u>CA</u>	ZIP <u>90023</u>
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from)	CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER <u>323-268-0507</u>	WEBSITE <u>www.acorn-paper.com</u>		
COMPANY CONTACT NAME <u>David Doherty</u>	COMPANY CONTACT TITLE <u>Chief Strategy Officer</u>		
E-MAIL ADDRESS <u>david.doherty@acorn-paper.com</u>	PREFERRED PHONE NUMBER <u>312-810-1503</u>		

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 following 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 both urban and rural 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.

Note: Criteria is different depending on whether the business is in a county where the population is 100,000 or more or a city where the population is 60,000 or more "urban" area), or if the business is in a county where the population is less than 100,000 or a city where the 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: _____

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA <u>approximately 75%</u>	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) <u>Sep-2021</u>		
NAICS CODE / SIC <u>322299</u>	INDUSTRY TYPE <u>Molded Fiber Packaging</u>		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS <u>Manufacturing facility utilizing post-consumer paper waste to manufacture molded paper fiber packaging products</u>			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS <u>TBD</u>	CITY / TOWN <u>TBD</u>	COUNTY <u>Washoe County</u>	ZIP
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP? <u>Reno, NV and surrounding areas; and Sacramento, CA</u>			

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%.
- 5 (D) ☒ Company Information Form

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 Years</u>	Expansions - Plans Over the Next <u>10 Years</u>
<p>Part 1. Are you currently/planning on leasing space in Nevada? <u>Yes</u></p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p>What year(s)? <u>2021-2036</u></p> <p>How much space (sq. ft.)? <u>65,000</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>If No, skip to Part 2. If Yes *, continue below:</p> <p>When to make improvements (month, year)? <u>Jun-2021</u></p> <hr/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</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>If No, skip to Part 3. If Yes *, continue below:</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? _____</p> <p>If Yes *, continue below:</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>If No, skip to Part 2. If Yes, continue below:</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>If No, skip to Part 3. If Yes, continue below:</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>If No, skip to Part 3. If Yes *, continue below:</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>If No, skip to Part 3. If Yes, continue below:</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>If No, skip to Part 3. If Yes *, continue below:</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>If Yes *, continue below:</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>* Please complete Section 7 - Capital Investment for New Operations / Startup.</p>	<p>* Please complete Section 7 - Capital Investment for Expansions below.</p>

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

The construction process will require the installation of manufacturing equipment to the water, natural gas, electric, and information technology systems and utilities. In order to do this, we will hire and engage local trade professionals to oversee and perform the required work as well as purchase material and parts from local businesses including the use of rental equipment and other ancillary services to complete the projects. This will help to keep the cash and investment in this project in the local economy and help to support the trade businesses in the area.

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):	How much capital investment is planned? (Breakout below):
Building Purchase (if buying): <u>\$0</u>	Building Purchase (if buying): _____
Building Costs (if building / making improvements): <u>TBD</u>	Building Costs (if building / making improvements): _____
Land: <u>\$0</u>	Land: _____
Equipment Cost: <u>\$5,537,500</u>	Equipment Cost: _____
Total: <u>\$5,537,500</u>	Total: <u>\$0</u>
	Is the equipment purchase for replacement of existing equipment? _____
	Current assessed value of personal property in NV: _____
	(Must attach 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>54</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: <u>\$24.33</u>	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 checked="" type="checkbox"/> Overtime | <input checked="" type="checkbox"/> Merit increases | <input checked="" type="checkbox"/> Tuition assistance | <input checked="" type="checkbox"/> Bonus |
| <input checked="" type="checkbox"/> PTO / Sick / Vacation | <input checked="" 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):

APG will provide additional compensation opportunity in the form of annual and performance bonuses (not included in the overall standard wage information provided in this application), service awards, and other monetary rewards based on overall performance (safety, attendance, etc.). Tuition assistance is also considered on a case by case basis and has been utilized to further provide benefits and rewards to top performers.

Section 9 - Employee Health Insurance Benefit Program

Is health insurance for employees and is an option for dependents offered?: ☒ Yes (**attach health plan and quote or invoice**) ☐ No

Package includes (check all that apply):

- | | | | |
|---|--|--|---|
| <input checked="" type="checkbox"/> Medical | <input checked="" type="checkbox"/> Vision | <input checked="" type="checkbox"/> Dental | <input checked="" type="checkbox"/> Other: <u>Life insurance/ST/LT Disability</u> |
|---|--|--|---|

Qualified after (check one):

- | | | | |
|--|---|---|--|
| <input type="checkbox"/> Upon employment | <input type="checkbox"/> Three months after hire date | <input type="checkbox"/> Six months after hire date | <input checked="" type="checkbox"/> Other: <u>After 30 days employment</u> |
|--|---|---|--|

Health Insurance Costs:	Percentage of health insurance premium by (min 65%):
Plan Type: <u>HealthNet PPO 2000</u>	
Employer Contribution (annual premium per employee): <u>\$ 6,056.40</u>	Company: <u>70%</u>
Employee Contribution (annual premium per employee): <u>\$ 2,595.60</u>	Employee: <u>30%</u>
Total Annual Premium: <u>\$8,652</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.

David Doherty

Name of person authorized for signature



Signature

Chief Strategy Officer

Title

October 21, 2020

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

Site Selection Factors

Company Name: Acorn Pulp Group, LLC

County: Washoe County

Section I - Site Selection Ratings

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

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

The award into the abatement program is extremely important to our decision to locate our new manufacturing facility in the Reno, NV area. APG is a small private company with limited capital resources. The award of financial incentives and abatements will allow us to allocate more of our capital into supporting the anticipated cash flow deficiency of the business during the start-up phase, enhance our investments in machinery and equipment to improve our manufacturing process , and ensure the resources to hire and retain the best employees and workforce.

5(A) Capital Equipment List

Company Name: Acorn Pulp Group, LLC

County: Washoe County

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.

[illegible]

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: Acorn Pulp Group, LLC

County: Washoe County

Section I - 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.

Please use the Bureau of Labor Statistics Standard Occupational Classification System (SOC) link to populate *section (b)*:

https://www.bls.gov/soc/2018/major_groups.htm#11-0000

(a) New Hire Position Title/Description	(b) Position SOC Code	(c) Number of Positions	(d) Average Hourly Wage	(e) US Bureau of Labor Statistics Average Hourly Wage - Reno	(f) Average Weekly Hours	(g) Annual Wage per Position	(h) Total Annual Wages
General and Operations Managers	11-1021	1	\$65.00	\$59.17	40	\$135,200.00	\$135,200.00
Sales Managers	11-2022	1	\$60.00	\$70.73	40	\$124,800.00	\$124,800.00
Maintenance and Repair Workers, General	49-9071	4	\$29.00	\$21.16	40	\$60,320.00	\$241,280.00
Bookkeeping, Accounting, and Auditing Clerks	43-3031	1	\$27.00	\$20.02	40	\$56,160.00	\$56,160.00
Packers and Packagers, Hand	53-7064	18	\$17.25	\$13.85	40	\$35,880.00	\$645,840.00
Machine Feeders and Offbearers	53-7063	9	\$22.50	\$15.70	40	\$46,800.00	\$421,200.00
Laborers and Freight, Stock, and Material Movers, Hand	53-7062	6	\$20.00	\$15.84	40	\$41,600.00	\$249,600.00
Industrial Truck and Tractor Operators	53-7051	3	\$27.00	\$19.45	40	\$56,160.00	\$168,480.00
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	43-6014	1	\$17.25	\$19.70	40	\$35,880.00	\$35,880.00
Human Resources Assistants, Except Payroll and Timekeeping	43-4161	1	\$23.50	\$18.36	40	\$48,880.00	\$48,880.00
Customer Service Representatives	43-4051	3	\$24.00	\$16.89	40	\$49,920.00	\$149,760.00
Sales Representatives, Wholesale and Manufacturing, Te	41-4011	3	\$42.00	\$44.19	40	\$87,360.00	\$262,080.00
First-Line Supervisors of Production and Operating Workers	51-1011	3	\$31.00	\$30.46	40	\$64,480.00	\$193,440.00
TOTAL		54	\$24.33				\$2,732,600.00

Section 2 - Employment Projections

Directions: Please estimate full-time job growth in Section 2, complete columns (b) and (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 estimated new full time employees on a year by year basis (not cumulative)**

(a) Year	(b) Number of New FTE(s)	(c) Average Hourly Wage	(d) Payroll
3-Year	8	\$18.00	\$299,520.00
4-Year	6	\$18.00	\$224,640.00
5-Year	6	\$17.25	\$215,280.00

* Column (e) determines if wage is commensurate to current wage ranges in the region the company plans to locate/is located. For these purposes the mean average hourly wage for the location has been used.

U = Unknown / data set for region is not currently available.

Source: US Bureau of Labor Statistics

5(C) Evaluation of Health Plans Offered by Companies

Company Name: Acorn Pulp Group, LLC

County: Washoe County

Total Number of Full-Time Employees: 54

Average Hourly Wage per Employee \$24.33
Average Annual Wage per Employee (implied) \$50,603.70

COST OF HEALTH INSURANCE

Annual Health Insurance Premium Cost: \$8,652.00
Percentage of Premium Covered by:
Company 70%
Employee 30%

HEALTH INSURANCE PLANS:

Base Health Insurance Plan*:

Deductible - per employee \$ 2,000
Coinsurance 70% / 30%
Out-of-Pocket Maximum per employee \$ 5,000

Additional Health Insurance Plan*:

Deductible - per employee \$ -
Coinsurance 0% / 0%
Out-of-Pocket Maximum per employee \$ -

Additional Health Insurance Plan*:

Deductible - per employee \$ -
Coinsurance 0% / 0%
Out-of-Pocket Maximum per employee \$ -

*Note: **Please list only "In Network" for deductible and out of the pocket amounts.**

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 7.33% MMQ

Annual Out-of-Pocket Maximum not to exceed \$8,150 (2020) \$5,000 MMQ

Minimum essential health benefits covered (Company offers PPO):

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

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 a qualified plan with 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.

David Doherty

Name of person authorized for signature


Signature

Chief Strategy Officer

Title

October 21, 2020

Date

5(D) Company Information

Company Name: Acorn Pulp Group, LLC

County: Washoe County

Section 1 - Company Interest List

Directions: Please provide a detailed list of owners and/or members of the company. *The Governor's Office of Economic Development strives to maintain the highest standards of integrity, and it is vital that the public be confident of our commitment. Accordingly, any conflict or appearance of a conflict must be avoided. To maintain our integrity and credibility, the applicant is required to provide a detailed list of owners, members, equity holders and Board members of the company.*

(a) Name	(b) Title
Acorn West, LLC	Member (70%)
Gord Heyting	Member (25%)
Justin Haas	Member (5%)
David Weissberg	Manager
John Gilligan	Manager

Section 2 - Company Affiliates and/or Subsidiaries

Are there any subsidiary or affiliate companies sharing tax liability with the applicant company? No ☒ Yes ☐

If Yes, continue below:

Directions: In order to include affiliates/subsidiaries, under the exemption letter, they must to be added to the Contract. Per standard practice GOED requires a corporate schematic to understand the exact relationships between the companies. Please populate the below table to show the exact relationships between the companies and include:

1. The names as they would read on the tax exemption letter.
2. Which entity(ies) will do the hiring?
3. Which entity(ies) will be purchasing the equipment?

Name of Subsidiary or Affiliate Entity, Role and Legal Control Relationship

Please include any additional details below:

None