

Pallas Industries, Inc.

4733 Old Dominion Dr., Arlington, VA 22207

Andrew Kreitz, Chief Financial Officer

Date: June 29, 2023

Application Facts:

Industry **Manufacturing**
NAICS **336415**
Type of App **New**
Location **Storey County**
RDA NNDA, Amy Barnes

Company Profile

Pallas Industries, Inc. (Pallas) is considering Storey County as a location for a new 21,500 sq. ft. propulsion development and manufacturing center. This center will develop, produce, and test solid rocket motors for the next generation of advanced American missiles and interceptors. Storey County's long history of aerospace and defense production, open areas for development and testing, and proximity to the Reno metropolitan area, make it an ideal location for the company's new facility. The propulsion development and manufacturing center will be the centerpiece of the company's effort to help rebuild American defense primacy. Pallas is a company focused on modernizing American defense by building next-generation military technologies. The company is a venture capital-backed technology company founded on the premise that creating and maintaining lasting peace requires innovative defense technologies produced at low-cost and at massive scale. Pallas tackles the country's most difficult engineering problems with the goal of reducing defense production costs by more than 10x. *Source: Pallas Industries, Inc.*

Tax Abatement Requirements:	Statutory	Company Application	Meeting Requirements
Job Creation	10	12	Yes
Average Wage	\$28.14	\$45.67	Yes
Equipment Capex (SU & MBT)	\$250,000	\$307,500	Yes
Equipment Capex (PP)	\$1,000,000		No

Additional Requirements:

Health Insurance	65%	65%	Yes
Revenues generated outside NV	51%	51%	Yes
Business License	<input type="checkbox"/> Current	<input type="checkbox"/> Pending	<input checked="" type="checkbox"/> Will comply

Total Tax Liability (without tax abatements)	Direct (company)	Total
	\$676,594	\$5,384,419

Tax Abatements	Contract Terms	Estimated Tax Abatement
Sales Tax Abmt.	2% for 2 years	\$17,220
Modified Business Tax Abmt.	50% for 4 years	\$16,675
Personal Property Tax Abmt.	N/A	N/A
Total Estimated Tax Abatement over 10 yrs.		\$33,895

Net New Tax Revenues	Direct	Indirect	Taxes after Abatements
Local Taxes			
Property	\$20,471	\$394,419	\$414,890
Sales	\$308	\$47,725	\$48,033
Lodging	\$0	\$169,314	\$169,314
State Taxes			
Property	\$1,058	\$1,455,427	\$1,456,485
Sales	\$6,260	\$1,217,468	\$1,223,728
Modified Business	\$1,504,394	\$527,083	\$2,031,477
Lodging	\$0	\$6,597	\$6,597
Total Estimated New Tax Revenue over 10 yrs.	\$1,532,491	\$3,818,033	\$5,350,524

Economic Impact over 10 yrs.	Total	Construction	Total
Total Jobs Supported	415	0	415
Total Payroll Supported	\$196,365,844	\$4,826	\$196,370,670
Total Economic Value	\$959,430,867	\$14,264	\$959,445,131

IMPORTANT TERMS & INFORMATION

Tax Abatements are reduction or discount of tax liability and companies do not receive any form of payment.

Total Estimated Tax Abatement is a tax reduction estimate. This estimated amount will be discounted from total tax liability.

Estimated New Tax Revenue is amount of tax revenues local and state government will collect after the abatement was given to applying company.

Economic Impact is economic effect or benefits that this company and it's operations will have on the community and state economy measured by total number of jobs, payroll and created output.

May 12, 2023

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

Dear Mr. Burns,

Northern Nevada Development Authority (NNDAA) is pleased to provide this letter of support for Pallas application for the Sales and Use Tax Abatement and Modified Business Tax Abatement as stated on the attached incentive application.

We have reviewed the application submitted by Pallas and are supporting their efforts to locate their facility in Storey County Nevada. The company will add 12 new jobs in the first two years with an average wage of \$45.67 per hour.

NNDAA respectfully requests the application be considered by the Governor's Office of Economic Development and be placed on the next available GOED Board agenda to review and take the action.

Sincerely,



Amy Miller
Director of Business Development
Northern Nevada Development Authority



Pallas Industries, Inc.

4733 Old Dominion Dr.
Arlington, VA 22207

info@pallas.inc

April 21, 2023

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

Mr. Burns,

Pallas Industries is a new defense prime building America's next-generation military technologies with modern commercial manufacturing strategies and rapid development cycles. We are an agile, venture capital-backed technology company founded on the premise that creating and maintaining lasting peace requires innovative defense technologies produced at low-cost and at massive scale. Pallas tackles the country's most difficult engineering problems with the goal of reducing defense production costs by more than 10x.

The nation's preeminence in military technology cannot be taken for granted today and can only be assured by taking a new approach to national security development and production: one that focuses on short, iterative design cycles and rapid testing in development phases, and modern commercial manufacturing approaches for production at scale.

We are excited to be considering Storey County as the future site for Pallas' Propulsion Development and Manufacturing Center. This center will develop, produce, and test solid rocket motors for the next generation of advanced American missiles and interceptors. Storey County's long history of aerospace and defense production, open areas for development and testing, and proximity to the Reno metropolitan area make it an ideal location for us.

We are in the process of identifying sites where we can deploy several structures across ~3 to 5 acres on which we can develop and test our motors. In the near-term, this will create 10 to 15 jobs and bring significant investment to the local economy. In the medium- to long-term, we intend to expand to a larger site in Storey County that can accommodate a full-scale production facility, which would bring up to 500 jobs over the next 5 to 7 years.

The Propulsion Development and Manufacturing Center will be the centerpiece of our effort to help rebuild American defense primacy. Your support through tax savings, especially early in our growth, will be critical in maximizing the likelihood of success. Moreover, it will help foster close ties with the community and bring capital investment and jobs to Storey County.

Thank you for your consideration. We are excited to build a partnership with you, Storey County, and the State of Nevada.

Best,

Bryon Hargis
Chief Executive Officer, Pallas Industries

240.841.4390
bryon@pallas.inc

**ECONOMIC DEVELOPMENT
Incentive Application**

Company is an / a: (check one)

New location in Nevada

Expansion of a Nevada company

Company Name: Pallas Industries, Inc.

Date of Application: April 21, 2023

Section 1 - Type of Incentives

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

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

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) <u>Pallas Industries, Inc.</u>			FEDERAL TAX ID # <u>92-1218723</u>
CORPORATE ADDRESS <u>4733 Old Dominion Dr.</u>	CITY / TOWN <u>Arlington</u>	STATE / PROVINCE <u>VA</u>	ZIP <u>22207</u>
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above) <u>6822 Woodrow Wilson Dr.</u>	CITY / TOWN <u>Los Angeles</u>	STATE / PROVINCE <u>CA</u>	ZIP <u>90068</u>
TELEPHONE NUMBER <u>714.943.5440</u>	WEBSITE <u>www.pallas.inc</u>		
COMPANY CONTACT NAME <u>Andrew Kreitz</u>	COMPANY CONTACT TITLE <u>Chief Financial Officer</u>		
E-MAIL ADDRESS <u>andrew@pallas.inc</u>	PREFERRED PHONE NUMBER <u>714.943.5440</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 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 Service Provider
 Technology Distribution / Fulfillment
 Back Office Operations Manufacturing
 Research & Development / Intellectual Property Other: _____

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA <u>51%</u>	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) <u>Jun-2023</u>		
NAICS CODE / SIC <u>336415</u>	INDUSTRY TYPE <u>Guided Missiles and Space Vehicles</u>		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS <u>Development, production, and testing of solid rocket motors</u>			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS <u>TBD site in Storey County</u>	CITY / TOWN <u>TBD</u>	COUNTY <u>Storey County</u>	ZIP <u>TBD</u>
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP? <u>Texarkana, Texas</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</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>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? <u>2023</u></p> <p style="padding-left: 40px;">How much space (sq. ft.)? <u>215,000</u></p> <p style="padding-left: 40px;">Annual lease cost of space: <u>\$10,000.00</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 style="padding-left: 40px;">When to make improvements (month, year)? <u>May-2023</u></p> <hr/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? <u>No</u></p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">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 style="padding-left: 40px;">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>If Yes *, continue below:</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">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 style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">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 style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much expanded space (sq. ft.)? _____</p> <p style="padding-left: 40px;">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 style="padding-left: 40px;">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 style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">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 style="padding-left: 40px;">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 style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">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):
 Nevada contractors will be doing building improvements related to fencing, concrete security, etc.

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): <u> </u>
Building Costs (if building / making improvements): <u> \$10,000 </u>	Building Costs (if building / making improvements): <u> </u>
Land: <u> \$0 </u>	Land: <u> </u>
Equipment Cost: <u> \$307,500 </u>	Equipment Cost: <u> </u>
Total: <u> \$317,500 </u>	Total: <u> </u>
	Is the equipment purchase for replacement of existing equipment? <u> </u>
	Current assessed value of personal property in NV: <u> </u>
	(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> 12 </u>	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: <u> </u>
Average hourly wage of these <u>new</u> employees: <u> \$45.67 </u>	Average hourly wage of these <u>new</u> employees: <u> </u>
	How many FTE employees prior to expansion?: <u> </u>
	Average hourly wage of these <u>existing</u> employees: <u> </u>
	Total number of employees after expansion: <u> </u>

* 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 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 checked="" type="checkbox"/> Other: <u>Employee share c</u> |

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

Package includes (check all that apply):

- Medical Vision Dental Other:

Qualified after (check one):

- Upon employment Three months after hire date Six months after hire date Other:

Health Insurance Costs:	Percentage of health insurance premium by (min 65%):
Plan Type: <u> PPO </u>	
Employer Contribution (annual premium per employee): <u> \$ 5,109.00 </u>	Company: <u> 65% </u>
Employee Contribution (annual premium per employee): <u> \$ 2,751.00 </u>	Employee: <u> 35% </u>
Total Annual Premium: <u> \$ 7,860.00 </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.

Andrew Kreitz
Name of person authorized for signature

Andrew Kreitz
Signature

Chief Financial Officer
Title

April 21, 2023
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: Pallas Industries, Inc.

County: Storey

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

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

As an early-stage venture capital-backed firm, Pallas is extremely focused on two key factors: speed and cost. Storey County's business-friendly environment, history of aerospace and defense manufacturing, and available land help us address speed. Tax abatements will be critical to helping us address cost. We want to make significant investments in facilities, equipment, and labor, but at this early stage in Pallas' lifecycle, we are constrained by available capital. These tax incentives will be an important criterion on our site selection and will help enable us to invest more in Nevada sooner.

5(B) Employment Schedule

Company Name: Pallas Industries, Inc.

County: Storey

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.

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 -- Storey County	(f) Average Weekly Hours	(g) Annual Wage per Position	(h) Total Annual Wages
General and Operations Managers	11-1021	1	\$81.73	\$50.93	40	\$169,998.40	\$169,998.40
Aerospace Engineering and Operations Technologists and	17-3021	4	\$28.84	\$37.88	40	\$59,987.20	\$239,948.80
Aerospace Engineers	17-2011	3	\$52.88	\$43.28	40	\$109,990.40	\$329,971.20
Chemical Engineers	17-2041	4	\$48.07	\$51.11	40	\$99,985.60	\$399,942.40
TOTAL		12	\$45.67	\$44.73			\$1,139,860.80

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	15	\$45.00	\$1,404,000.00
4-Year	70	\$37.00	\$5,387,200.00
5-Year	200	\$35.00	\$14,560,000.00

* 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: Pallas Industries, Inc. County: Storey

Total Number of Full-Time Employees: 12

Average Hourly Wage per Employee \$45.67
 Average Annual Wage per Employee (implied) \$94,988.40

COST OF HELATH INSURANCE

Annual Health Insurance Premium Cost: \$7,860.00
 Percentage of Premium Covered by:
 Company 65%
 Employee 35%

HEALTH INSURANCE PLANS:

Base Health Insurance Plan*: Platinum Full PPO 250/10 OffEx

Deductible - per employee \$ 250
 Coinsurance 80%/ 20%
 Out-of-Pocket Maximum per employee \$ 3,000

Additional Health Insurance Plan*: Gold Full PPO 0/25 OffEx

Deductible - per employee \$ 1,000
 Coinsurance 70%/30%
 Out-of-Pocket Maximum per employee \$ 8,500

Additional Health Insurance Plan*: Platinum Trio HMO 0/30 OffEx

Deductible - per employee \$ -
 Coinsurance 80%/20%
 Out-of-Pocket Maximum per employee \$ 2,700

*Note: *Please list only "In Network" for deducatable 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 4.5% MMQ

Annual Out-of-Pocket Maximum not to exceed \$9,100 (2023) \$3,000 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 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.

Andrew Kreitz
 Name of person authorized for signature

Andrew Kreitz
 Signature

Chief Financial Officer
 Title

4/21/2023
 Date

5(D) Company Information

Company Name: Pallas Industries, Inc.

County: Storey

Section I - 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
Charles Bryon Hargis	CEO / Owner / Board member
Sean Tucker Orion Pitt	COO / Owner / Board member
Andrew Jonathan Kreitz	CFO / Owner / Board member
Lavrock Ventures	Owner / Board member
BlueYard Capital	Owner
First In Ventures	Owner
Champion Hill Ventures	Owner

Section 2 - Company Affiliates and/or Subsidiaries

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

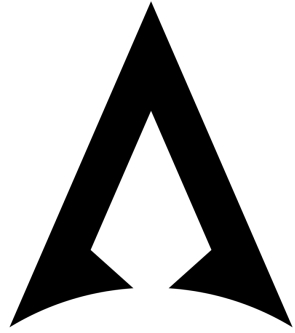
If Yes, continue below:

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?

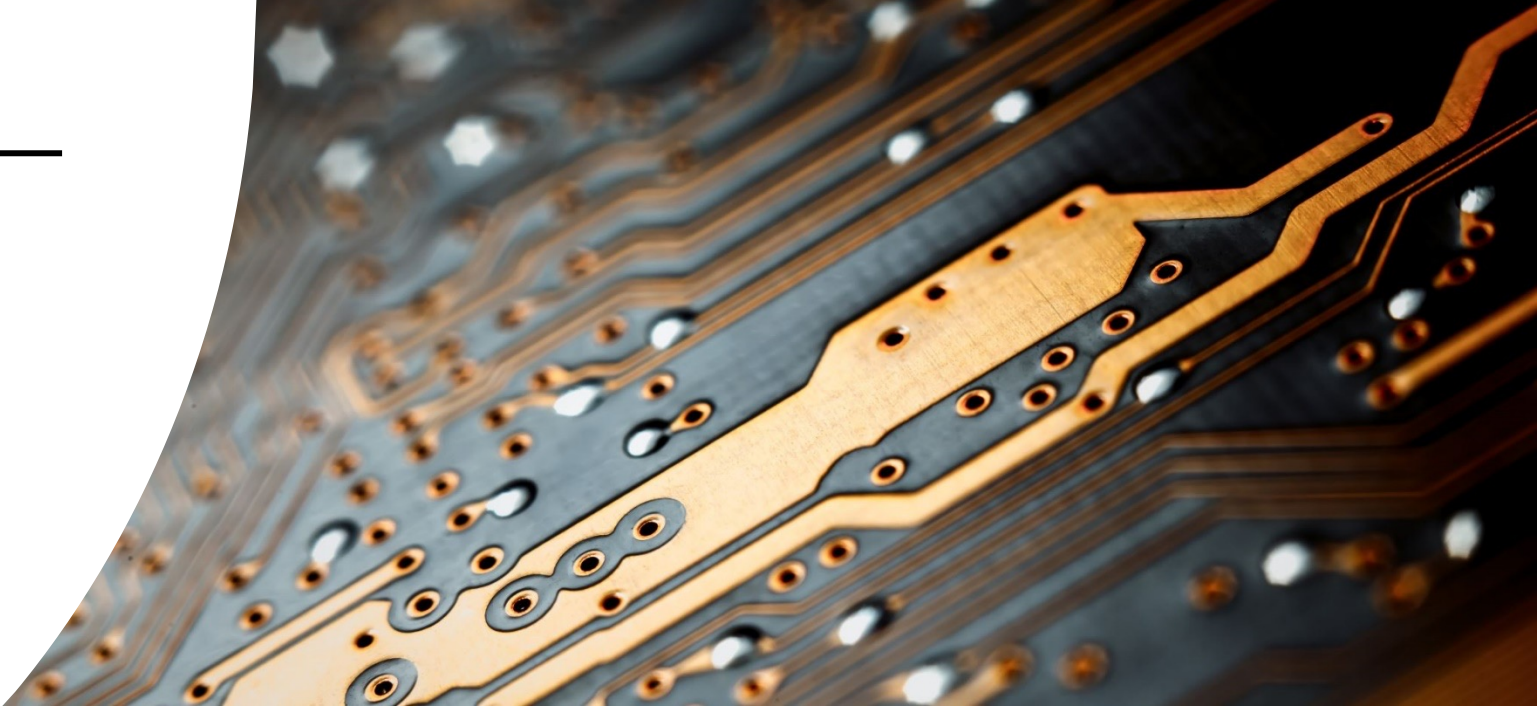
Name of Subsidiary or Affiliate Entity, Role and Legal Control Relationship

Please include any additional details below:



PALLAS

Modern Defense Production



Pallas | A New, Agile Defense Prime

Pallas exists to do defense production better – producing defense hardware faster, at massive scale, and at a 10x+ reduction in cost

We focus on:

- **Agile Hardware Development** – high cadence, hardware rich early testing for rapid design iteration
- **Products Designed for Manufacture at Scale** – Pallas is a true manufacturer, not an integrator
- **Vertical Integration to Control Costs** – Removing heavy reliance on third party suppliers for critical components significantly controls costs



Pallas Leadership Team



CEO



Materials



Engineering



Vehicle Lead



Finance



Operations

Bryon Hargis

- Product Architect and Co-founder
- Created SpaceX's multibillion dollar government satellite revenue line from scratch

Dr. Chris Hill

- Prior senior materials leader at SpaceX and Amazon
- Owner of advanced materials company with active NASA contracts

Paul Perry

- Employee 18 at Zipline
- Led structural design and analysis, and electro-mechanical mechanisms

Jacob Sweers

- Previous product lead for SpaceX Starshield program
- Expert in avionics, program management and vehicle instrumentation

Andrew Kreitz

- Former aerospace and defense sector VP at Goldman Sachs
- Led SpaceX financial modeling and forecasting and Govt proposal cost modeling

Sean Pitt

- Former SpaceX Director of Launch and Human Spaceflight Sales, Europe
- Won \$1.25B+ in export launch deals for SpaceX

Pallas Advisors



Mike Griffin | Government

- Former Under Secretary of Defense for Research & Engineering
- Placed most current USG hypersonic leadership



Zach Dunn | Engineering

- Senior Vice President of Launch and Manufacturing at Relativity Space
- Former SVP of Production and Launch at SpaceX



Lisa Porter | Government

- Former Deputy Under Secretary of Defense for Research & Engineering
- Expert in defense technical challenges and system development



Jim Martz | Engineering

- Former SpaceX engineering executive responsible for SpaceX's hosted payload satellite product
- Previous avionics engineering leader at SpaceX

First Product Will Address a Critical National Need

A proliferated and affordable hypersonic vehicle

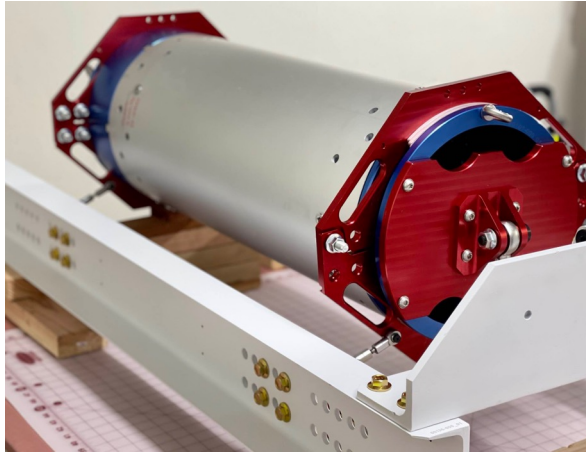
- For testing and other applications

Current efforts are too expensive, too slow, and too few-in-number to meet national need

Pallas culture and unique materials technology changes the paradigm



Manufactured In-House for High-Rate Production



**Solid Rocket Motors
Manufactured in NV**



Supply-Diversified Avionics



**Cutting Edge Thermal
Protection Systems**

High-Cadence Hypersonic Test Platform

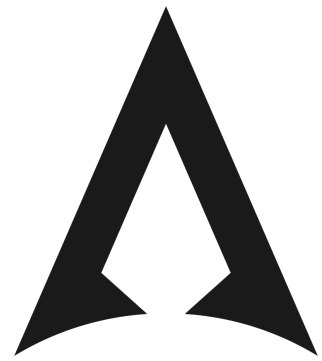


Pallas 1.0

Reusable Hypersonic Test Platform

- High cadence (1 or more flights per month)
- New capabilities iteratively integrated
- In-house development of solid rocket motors, avionics, and ceramic matrix composites for thermal protection
- Low-cost testing for customer payloads





PALLAS