Date: June 17, 2021

Spreetail, LLC

5675 E. Ann Road, Las Vegas, NV 89115

Andy Martz, Senior Director, Finance

Application Facts:

Industry	**Transportation, Warehousing & Utilities**
NAICS	**454110**
Type of App	**Expansion**
Location	**Clark County**
RDA	LVGEA, Nickoles Clasen

Company Profile

Spreetail, LLC (Spreetail) is considering expanding its existing 400,000 sq. ft. southern Nevada facility. Spreetail is an ecommerce growth partner focused on accelerating brands and channels to compete for tomorrow's ecommerce customer. Spreetail's ecommerce experts purchase products from world-class vendors, list these top brands on marketplace giants such as Amazon, Walmart, Target, and eBay, and fulfill orders with next-day speed. The company's completely home-grown software helps it to provide unmatched value to its vendor partners, channel partners, and millions of customers nation-wide. Spreetail's NV fulfilment center currently serves as the company's only fulfilment center on the West Coast of the United States. Due to the acceleration of the ecommerce industry, the company has experienced rapid growth over the last year and the NV fulfillment Center is at capacity. Therefore, Spreetail is reassessing its West Coast strategy. The company is also considering northern California and Oregon as potential expansion locations. *Source: Spreetail, LLC*

Tax Abatement Requirements:	**Statutory**	**Company Application**	**Meeting Requirements**
Job Creation	25	**110**	**Yes**
Average Wage	$24.16	**$26.66**	**Yes**
Equipment Capex (SU & MBT)			
Equipment Capex (PP)	$122,784	**$2,183,498**	**Yes**
Additional Requirements:			
Health Insurance	65%	**100%**	**Yes**
Revenues generated outside NV	51%	**97%**	**Yes**
Business License	☑ Current	☐ Pending	☐ Will comply

Total Tax Liability (without tax abatements)	**Direct (company)**	**Total**
	$640,612	**$12,823,831**

Tax Abatements	**Contract Terms**	**Estimated Tax Abatement**
Sales Tax Abmt.	4.6% for 2 years	$82,427
Modified Business Tax Abmt.	50% for 4 years	$174,044
Personal Property Tax Abmt.	50% for 10 years	$54,828
Total Estimated Tax Abatement over 10 yrs.		**$311,299**

Net New Tax Revenues	**Direct**	**Indirect**	**Taxes after Abatements**
Local Taxes			
Property	$564,386	$5,210,262	$5,774,648
Sales	$65,058	$3,083,626	$3,148,684
Lodging	$0	$123,094	$123,094
State Taxes			
Property	$30,869	$303,159	$334,028
Sales	$46,270	$1,029,161	$1,075,431
Modified Business	$1,287,402	$729,698	$2,017,100
Lodging	$0	$39,547	$39,547
Total Estimated New Tax Revenue over 10 yrs.			**$12,512,532**

Economic Impact over 10 yrs.	**Total**	**Construction**	**Total**
Total Jobs Supported	324	2	326
Total Payroll Supported	$165,993,789	$106,885	$166,100,674
Total Economic Value	$479,818,134	$282,289	$480,100,423

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.

LAS VEGAS
GLOBAL ECONOMIC ALLIANCE

April 14, 2021

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

Dear Mr. Brown,

Spreetail, LLC is applying to the State of Nevada for the Sales and Use Tax, Modified Business Tax, and Personal Property Tax Abatements. We request their application be placed on the agenda for the June 2021 GOED Board Meeting.

Spreetail, LLC has been evaluating where to open or expand a distribution center that will service the Western United States. Spreetail LLC will expect to hire 110 employees over the next 24 months. These employees will make an average hourly wage of $26.66 and be provided with a benefits package that includes 100% coverage of the employees' healthcare premium. Spreetail, LLC will make a capital investment of $2,383,498, which includes approximately $2,183,498 in capital equipment.

Our team has reviewed the Spreetail, LLC application and found it to comply with Nevada's statutory requirements for tax abatements. This application has the full support and endorsement of the Las Vegas Global Economic Alliance. We appreciate your consideration of this application.

Sincerely,

Nickoles K. Clason
Economic Development Analyst

Enclosure

info@lvgea.org
+ 1 (702) 791-0000
lvgea.org
6720 Via Austi Pkwy Ste 330
Las Vegas NV 89119

2021 Transformation Drive STE 2500
Lincoln, NE 68508

Request for Incentive

Mr. Michael Brown
Executive Director, Nevada GOED
555 E Washington Ave, Suite 5400
Las Vegas, Nevada 89101

Dear Mr. Brown,

It is with our excitement that we write this letter to explore potential incentive options within Nevada. Spreetail is an ecommerce growth partner focused on accelerating brands and channels to compete for tomorrow's ecommerce customer. Our ecommerce experts purchase products from world-class vendors, list these top brands on marketplace giants such as Amazon, Walmart, Target, and eBay, and fulfill orders with next-day speed. Our completely home-grown software helps us provide unmatched value to our vendor partners, channel partners, and the millions of customers we delight nation-wide. We are headquartered in Lincoln, Nebraska and launched under the Spreetail name in 2015. We have offices located in Lincoln and Omaha, Nebraska, as well as Austin, Texas and operate 6 fulfilment centers across the country (one of which is in Las Vegas). Our NV fulfilment center is currently leased (approximately 400,000 sq ft) and serves as our only fulfilment center on the West Coast of the United States. Due to the acceleration of the ecommerce industry, we have experienced rapid growth over the last year and are at a point where we are at capacity for our current NV fulfilment center and are reassessing our West Coast strategy.

We are currently considering two main options for expansion:

- Stay in Las Vegas and expand space by an additional 250k-300k sq ft, bringing our total leased space to 650k-700k sq ft. Continue to invest in the local community and hire an additional 110 employees through 2023 at an average hourly rate of $26.66. Employees will be primarily sourced from the Clark County area and will be provided with 100% employer paid health benefits. In addition, we plan to spend approximately $2 million of capital investment for equipment, $200,000 for leasehold improvements, and an additional $1-2 million on annual rent.
- Keep existing 400k sq ft in Las Vegas and open another 300k sq ft in Northern California/Oregon area to better access Pacific Northwest customers, where we currently have constraints to reach these customers in required shipping parameters. Plan to grow existing Las Vegas headcount by 20 employees and make limited capital investments to existing space. We would plan to add approximately 125 to 150 employees at a new location

2021 Transformation Drive STE 2500
Lincoln, NE 68508

and spend approximately $2M of capital investment, $300,000 of leasehold improvements, and an additional $1-2 million on annual rent.

At this point in time, based on our carrier constraints to reach customers timely in the Pacific Northwest, we are leaning towards opening another location in Northern California/Oregon. If we do decide to stay and expand in Las Vegas, we will incur additional costs to make daily line hauls north to carrier facilities to skip shipping zones and achieve our required one-to-two-day order fulfilment to customers. Therefore, any incentives received are viewed to directly offset these line haul costs and materially influence our decision.

We would like to thank you for your consideration and are happy to further discuss any questions.

Sincerely,

Assistant Controller

Nevada Governor's Office of
ECONOMIC DEVELOPMENT

Incentive Application

Company Name: Spreetail, LLC

Date of Application: April 17th, 2021

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 #
Spreetail, LLC			83-4172203
CORPORATE ADDRESS	CITY / TOWN	STATE / PROVINCE	ZIP
2021 Transformation Drive STE 2500	Lincoln	NE	68508
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN	STATE / PROVINCE	ZIP
Same as above	N/A	N/A	N/A
TELEPHONE NUMBER	WEBSITE		
402-858-9303	wearespreetail.com		
COMPANY CONTACT NAME	COMPANY CONTACT TITLE		
Andy Martz	Senior Director, Finance		
E-MAIL ADDRESS	PREFERRED PHONE NUMBER		
andy.martz@spreetail.com	Same as above		

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 applicable to 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 the quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase the number 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 (i.e., "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	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR)
97%	Fall 2021
NAICS CODE / SIC	INDUSTRY TYPE
454110	Electronic Shopping

DESCRIPTION OF COMPANY'S NEVADA OPERATIONS

Fulfilment center

PROPOSED / ACTUAL NEVADA FACILITY ADDRESS	CITY / TOWN	COUNTY	ZIP
5675 E Ann Road	Las Vegas	Clark County	89115

WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP?

Northern California, Oregon

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 **Ten Years**		**Expansions -** Plans Over the Next **10 Years**	
Part 1. Are you currently/planning on leasing space in Nevada?		Part 1. Are you currently leasing space in Nevada?	**Yes**
If No, skip to Part 2. If Yes, continue below:		***If No, skip to Part 2. If Yes, continue below:***	
What year(s)?		What year(s)?	2017-2022
How much space (sq. ft.)?		How much space (sq. ft.)?	400,000
Annual lease cost of space:		Annual lease cost at current space:	$2.2M
Do you plan on making building tenant improvements?		Due to expansion, will you lease additional space?	Yes
If No, skip to Part 2. If Yes *, continue below:		***If No, skip to Part 3. If Yes, continue below:***	
When to make improvements (month, year)?		Expanding at the current facility or a new facility?	Current
		What year(s)?	2021/2022
		How much expanded space (sq. ft.)?	250-300K additional sqft
Part 2. Are you currently/planning on buying an owner occupied facility in Nevada?		Annual lease cost of expanded space:	$1.3-$1.7M
		Do you plan on making building tenant improvements?	Yes
If No, skip to Part 3. If Yes *, continue below:		***If No, skip to Part 3. If Yes *, continue below:***	
Purchase date, if buying (month, year):		When to make improvements (month, year)?	2021/2022
How much space (sq. ft.)?			
Do you plan on making building improvements?		Part 2. Are you currently operating at an owner occupied building in Nevada?	**No**
If No, skip to Part 3. If Yes *, continue below:		***If No, skip to Part 3. If Yes, continue below:***	
When to make improvements (month, year)?		How much space (sq. ft.)?	N/A
		Current assessed value of real property?	N/A
Part 3. Are you currently/planning on building a build-to-suit facility in Nevada?		Due to expansion, will you be making building improvements?	Yes
If Yes *, continue below:		***If No, skip to Part 3. If Yes *, continue below:***	
When to break ground, if building (month, year)?		When to make improvements (month, year)?	N/A
Estimated completion date, if building (month, year):			
How much space (sq. ft.)?		Part 3. Do you plan on building or buying a new facility in Nevada?	**No**
		If Yes *, continue below:	
		Purchase date, if buying (month, year):	N/A
		When to break ground, if building (month, year)?	N/A
		Estimated completion date, if building (month, year):	N/A
		How much space (sq. ft.)?	N/A
*** Please complete Section 7** - Capital Investment for New Operations / Startup.		*** Please complete Section 7** - Capital Investment for Expansions below.	

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

Expansion at existing site will require approximately $200K in tenant improvements to be made for office/breakroom build out as well as interior leasehold improvements to ensure dock space is set up as required for business needs. Plan to use local contractors to perform this work and have good existing vendor list from previous enhancements made to current space. Additionally, proposed annual rent payments would range from $1.3M-$1.7M.

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):		Building Purchase (if buying):	$0
Building Costs (if building / making improvements):		Building Costs (if building / making improvements):	$200,000
Land:		Land:	$0
Equipment Cost:		Equipment Cost:	$2,183,498
Total:		**Total:**	**$2,383,498**
		Is the equipment purchase for replacement of existing equipment?	No
		Current assessed value of personal property in NV:	$613,919
		(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?:		How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?:	110
Average hourly wage of these new employees:		Average hourly wage of these new employees:	$26.66
		How many FTE employees prior to expansion?:	50
		Average hourly wage of these existing employees:	$22.48
		Total number of employees after expansion:	**160**

* 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):

- ☑ Overtime
- ☐ Merit increases
- ☐ Tuition assistance
- ☑ Bonus
- ☑ PTO / Sick / Vacation
- ☐ COLA adjustments
- ☑ Retirement Plan / Profit Sharing / 401(k)
- ☑ Other: See "Benefits" tab

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

In addition to 100% paid health premiums, Spreetail also offers a quarterly bonus incentive program that pays 5-10% additional from base wages. In addition, we offer 20 days of PTO/vacation time to hourly employees, and untracked PTO for salary employees. Upon three years of employment, Spreetail pays for an all inclusive trip for employees to Mexico and has a referral program that includes a top prize of a paid trip to Hawaii. For employees who are with the company for two years, Spreetail will contribute $5,000 towards the purchase of a new home, which will further impact local economy.

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:	See benefits tab-Spreetail pays for 100% employee plan		
Employer Contribution (annual premium per employee):	$ 4,572.00	Company:	100%
Employee Contribution (annual premium per employee)	$ -	Employee:	0%
Total Annual Premium:	$ 4,572.00		

[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.

Taylor Reeves	
Name of person authorized for signature	Signature
Assistant Controller	April 12, 2021
Title	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: Spreetail, LLC

County: Clark 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:	5	Transportation infrastructure:	5
Labor costs:	5	Transportation costs:	5
Real estate availability:	3	State and local tax structure:	5
Real estate costs:	5	State and local incentives:	5
Utility infrastructure:	4	Business permitting & regulatory structure:	3
Utility costs:	4	Access to higher education resources:	3

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

Our existing site is currently our only fulfillment center on the west coast of the United States. Due to the rapid acceleration of the industry, and increased competition between one day shipping offerings, we need to expand our footprint on the West Coast. The carriers we use, currently struggle meeting one to two day shipping parameters to the Pacific Northwest from our existing location in Las Vegas. We are currently exploring two options. See incentive request letter for details of expansion options. When determining what alternative to choose, tax abatement is a key deciding factor to our decision. With known additional costs likely to be incurred from logistic partners if we stay at our current location in NV, abatement dollars would be critical to offset these increased costs.

5(A) Capital Equipment List

Company Name: Spreetail, LLC

County: Clark County

Section 1 - 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**
Reach Truck	15	$43,775.00	$656,625.00
Double Jack	9	$36,240.00	$326,160.00
Forklift	2	$13,016.55	$26,033.10
Phones & Scanners	50	$600.00	$30,000.00
Laptops	8	$1,500.00	$12,000.00
Printers	9	$1,100.00	$9,900.00
Pick Carts	27	$850.00	$22,780.00
Network Equipment	1	$100,000.00	$100,000.00
Warehouse Racking	150	$6,666.67	$1,000,000.00
TOTAL EQUIPMENT COST			**$2,183,498.10**

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: Spreetail, LLC

County: Clark County

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	*(f)* Average Weekly Hours	*(g)* Annual Wage per Position	*(h)* Total Annual Wages
Chief Executives	11-1011	1	$93.27	$111.04	40	$194,000.00	$194,000.00
General and Operations Managers	11-1021	1	$56.95	$57.09	40	$118,456.00	$118,456.00
General and Operations Managers	11-1021	8	$33.65	$57.09	40	$69,992.00	$559,936.00
Industrial Truck and Tractor Operators	53-7051	80	$25.63	$17.91	40	$53,310.40	$4,264,832.00
Laborers and Freight, Stock, and Material Movers, Hand	53-7062	20	$23.16	$14.28	40	$48,172.80	$963,456.00
TOTAL		**110**	$26.66				**$6,100,680.00**

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	30	$40.00	$2,496,000.00
4-Year	30	$41.20	$2,570,880.00
5-Year	30	$42.44	$2,648,006.40

* 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: Spreetail, LLC | County: Clark County

Total Number of Full-Time Employees:	110
Average Hourly Wage per Employee	$26.66
Average Annual Wage per Employee (implied)	$55,460.73

COST OF HELATH INSURANCE

Annual Health Insurance Premium Cost:	$4,572.00
Percentage of Premium Covered by:	
Company	100%
Employee	0%

HEALTH INSURANCE PLANS:

Base Health Insurance Plan*:	**Aetna HDHP**	
Deductible - per employee	$ 2,300	*adjusted for $500 Spreetail contribution to HSA
Coinsurance	80%/20%	
Out-of-Pocket Maximum per employee	$ 3,500	*adjusted for $500 Spreetail contribution to HSA

Additional Health Insurance Plan*:	**Aetna PPO**
Deductible - per employee	$ 1,500
Coinsurance	80%/20%
Out-of-Pocket Maximum per employee	$ 3,000

*Note: ***Please list only "In Network" for deducible 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	0	MMQ
Annual Out-of-Pocket Maximum not to exceed $8,550 (2021)	$3,500	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

Taylor Reeves
Name of person authorized for signature

Signature

Assistant Controller
Title

12-Apr-21
Date

5(D) Company Information

Company Name: Spreetail, LLC

County: Clark 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**
Brett Thome	Chief Executive Officer
Josh Ketter	Chief Financial Officer
Mike Passales	Chief Supply Chain Officer
Owen Carr	Chief Growth Officer
Emily Olinger	Chief People Officer
Kelsey Hearnen	Chief Channels Officer

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:

SECRETARY OF STATE

STATE OF NEVADA

NEVADA STATE BUSINESS LICENSE

Spreetail, LLC

Spreetail, LLC

Nevada Business Identification # NV20212040494
Expiration Date: 03/31/2022

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.
Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.
License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which, by law, cannot be waived.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on 03/12/2021.

Barbara K. Cegavske

BARBARA K. CEGAVSKE
Secretary of State

Certificate Number: B202103121506041
You may verify this certificate online at http://www.nvsos.gov

Spreetail

Nevada Incentive Application

Company Information

More Customers. More Places.

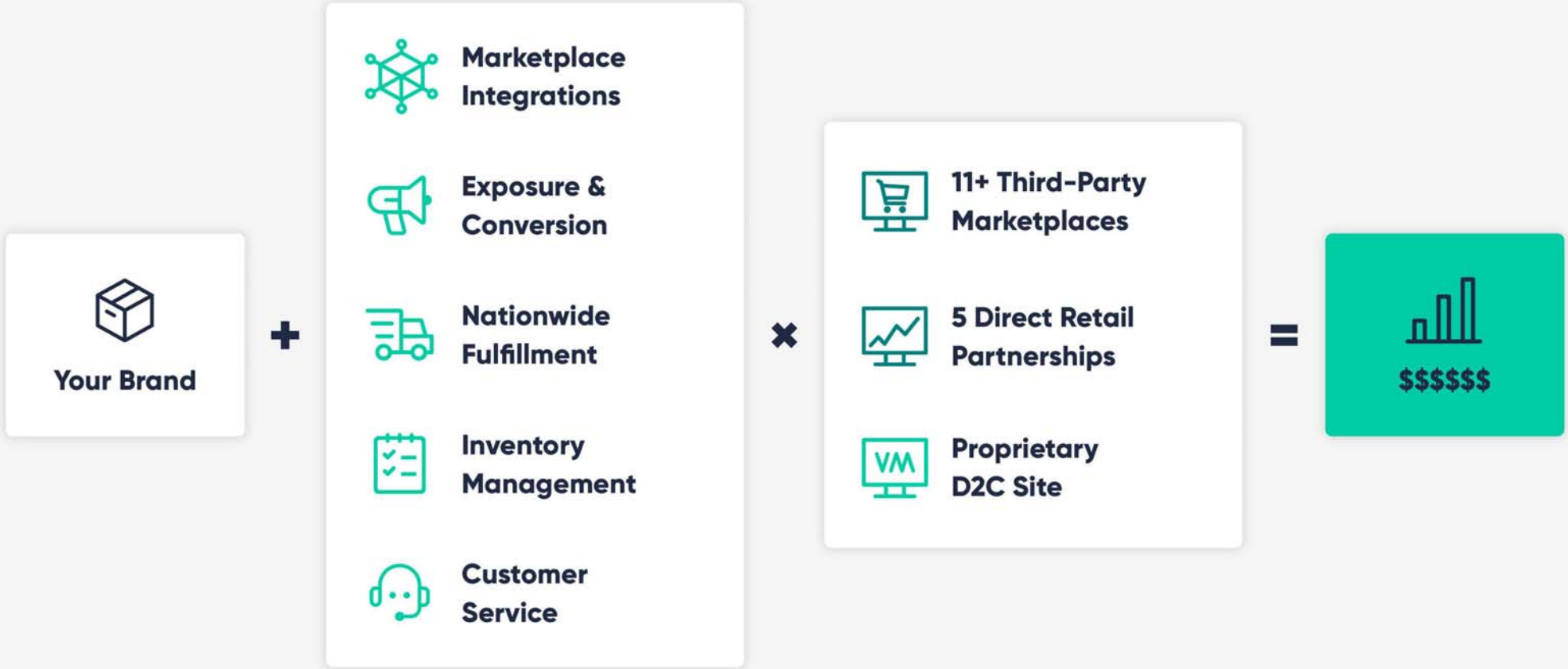
Who is Spreetail?

We're glad you asked!

Our Company Vision

Accelerating brands & marketplaces to compete for tomorrow's ecommerce customer.

Our Business Model



Our History

13+ years working exclusively in ecommerce.

Industry Status

When you can work with the best, why work with anyone else?

Premier Seller Fulfilled Prime Merchant on Amazon

Premier Seller on Walmart.com

Premier Seller on Target.com

Premier Marketplace Seller on Facebook

Direct Fulfillment Partner for The Home Depot, Lowe's, Wayfair, Macy's

Premier Merchant on Google

Where You Could Be Online

15+ marketplace integrations and DSV partnerships.

Marketplace Partners

amazon TARGET FACEBOOK

ebay wayfair Walmart

newegg macy's wish Google

Proprietary D2C Site

vm INNOVATIONS

Direct Fulfillment Partners

THE HOME DEPOT LOWE'S

wayfair BEST BUY

macy's

Partnership Process

From day one, our goals are aligned.

Ecommerce Readiness Analysis

Our research team dives into your brand to identify growth opportunities and craft a custom ecommerce strategy.

Purchasing & Warehousing Your Products

After cutting a purchase order, we warehouse your products across six fulfillment centers to provide industry-leading delivery times and stellar in-stock rates.

Product Listing and Conversion

Our team of experts ensure your product listings are launched, live, and optimized across 15+ marketplaces. We continue to review and refine your product listings to drive traffic and increase sales.

End-to-End Logistics

We provide your online customers with a world-class experience through blazing fast delivery times and friendly customer service 365 days a year.

Long-Term Growth Strategy

Using data, your dedicated ecommerce growth expert will work closely with you to manage your product listings, inventory, and sales to drive long-term, reliable growth.

How are we different?

More customers. More marketplaces. One partner.

We're the most comprehensive end-to-end growth solution in ecommerce.

Ecommerce Solutions	Direct FBM, 3PL, FBA	1P Wholesale to retailer	3P Seller Wholesale to reseller	Spreetail
Next-day Delivery	◒	◒	◒	●
100% Stocking Partner	○	◒	◒	●
Prime Badge	◒	●	○	●
In-House Customer Service	◒	◒	○	●
Listing Management & Optimization	○	○	◒	●
Marketing on 15+ Marketplaces	○	○	○	●
Retail Erosion Recovery & Prevention	●	○	○	●
Returns Logistics	◒	◒	◒	●
Multi-Platform Centralized Inventory	○	○	○	●

● Core Competency ◒ Some Competency ○ No Competency

Our Team is Focused on You

Other Retailers

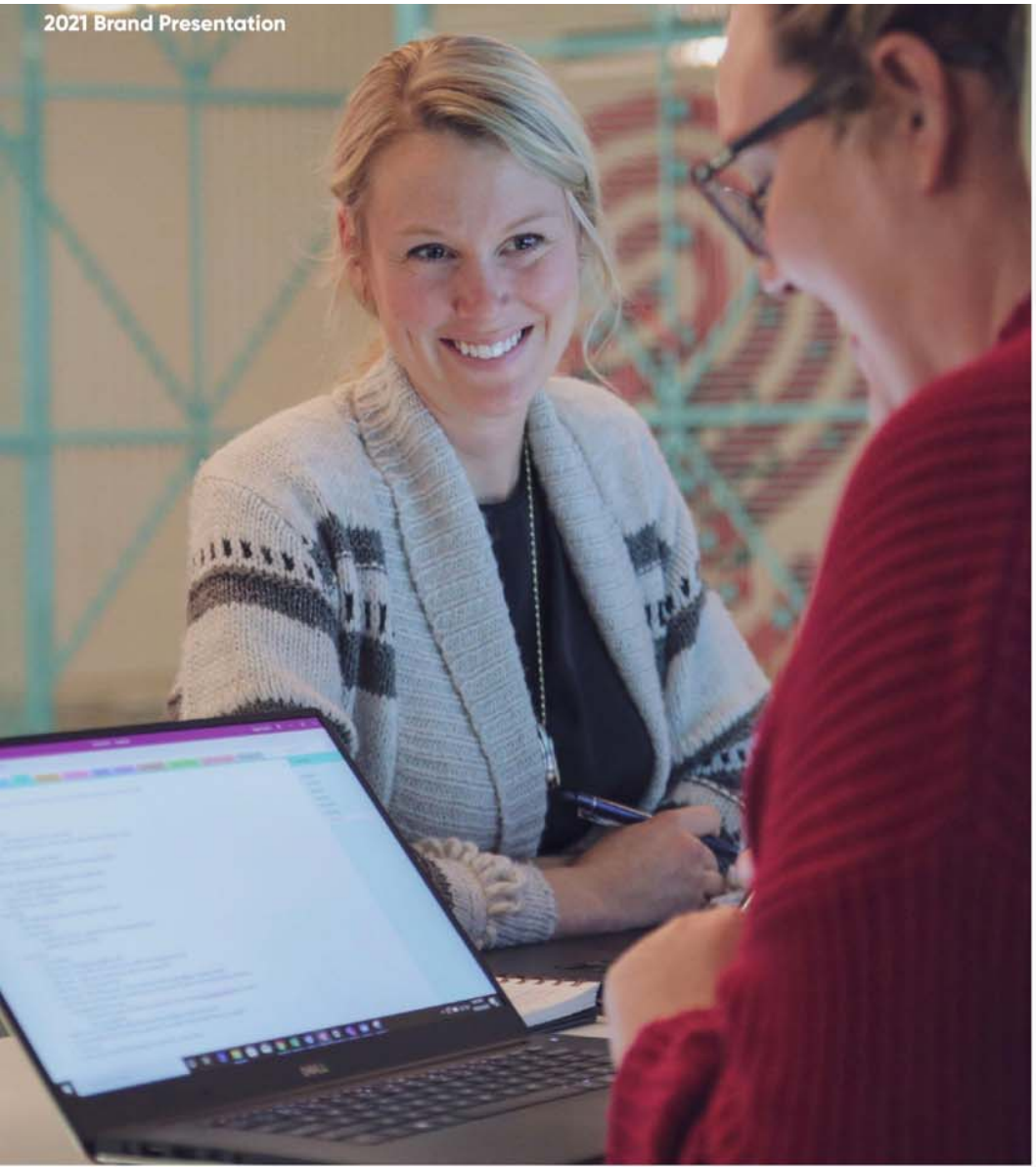
1 Account Manager

100+ Accounts

Our Team

Your Partnership Manager

15 Partners



How do we add value?

Our Suite of End-to-End Ecommerce Solutions

One partner. Everything you need to grow online.

Marketplace Integrations

Exposure & Conversion Marketing

Nationwide Fulfillment

Inventory Management

Customer Service

Building Out a Full Ecommerce Team is Expensive

It's easy to get your lines crossed and waste valuable resources.

Your Brand

Traditional Ecommerce Department

- Director of Ecommerce
- Logistics Managers (FBA, 3PL)
- Inventory Managers
- Inventory Associates (DTC, 1P, 3PL, FBA)
- Marketplace Management Specialists (AMZ, Walmart, eBay)
- Customer Support Team
- Reverse Logistics Team
- Marketplace Platform Marketing Managers (AMZ, Walmart, eBay, DTC)

Tasks

- Strategic ecommerce planning
- Marketplace campaign management
- Marketplace integrations implementation and management
- Demand planning and forecasting
- Manage inbound freight routing and coordination
- Negotiate inbound and outbound carrier rates
- Manage fulfillment center safety regulation compliance
- Manage freight costing
- Design, implement, and manage inventory tracking system
- Manage fulfillment center team
- Establish and maintain shipping cost estimation templates
- Optimize per-unit outbound shipping cost
- Manage inventory redundancy to maintain in-stock levels and guarantee on-time delivery
- Manage listing errors to ensure listing liveliness
- Optimize all Amazon listing titles, photos, attributes and content for optimal exposure and conversion
- Optimize all Walmart listing titles, photos, attributes and content for optimal exposure and conversion
- Optimize all eBay listing titles, photos, attributes and content for optimal exposure and conversion
- Optimize all Target listing titles, photos, attributes and content for optimal exposure and conversion
- Optimize all Wayfair listing titles, photos, attributes and content for optimal exposure and conversion
- Optimize all The Home Depot listing titles, photos, attributes and content for optimal exposure and conversion
- Optimize all Macy's listing titles, photos, attributes and content for optimal exposure and conversion
- Optimize all Google listing titles, photos, attributes and content for optimal exposure and conversion
- Optimize all Facebook listing titles, photos, attributes and content for optimal exposure and conversion
- Answer all customer service questions
- Field all return requests
- Train customer service team to utilize loss prevention strategies
- Process returns requests and provide shipping labels for all marketplace platforms
- Manage all customer complaints originating from all platforms
- Receive and process all returns shipments
- Ensure access to all promotional opportunities on all marketplaces
- Audit marketplace fee invoices for overcharges and returns discrepancies

Our Technology Makes Ecommerce Simple

Toolkit is our secret sauce behind our incredibly efficient team.

Your Brand

- Streamlined Logistics & Supply Chain
- Buy Box Wins
- Inventory Management
- Shipment Tracking
- Inventory Forecasting
- Pricing Optimization Across Platforms
- Content Optimization & Listing Health
- Catalog Expansion

Our Model is a Win-Win-Win

Wins for your brand, the marketplaces you want to sell on, and the customers you want to sell to.

Brand Partners

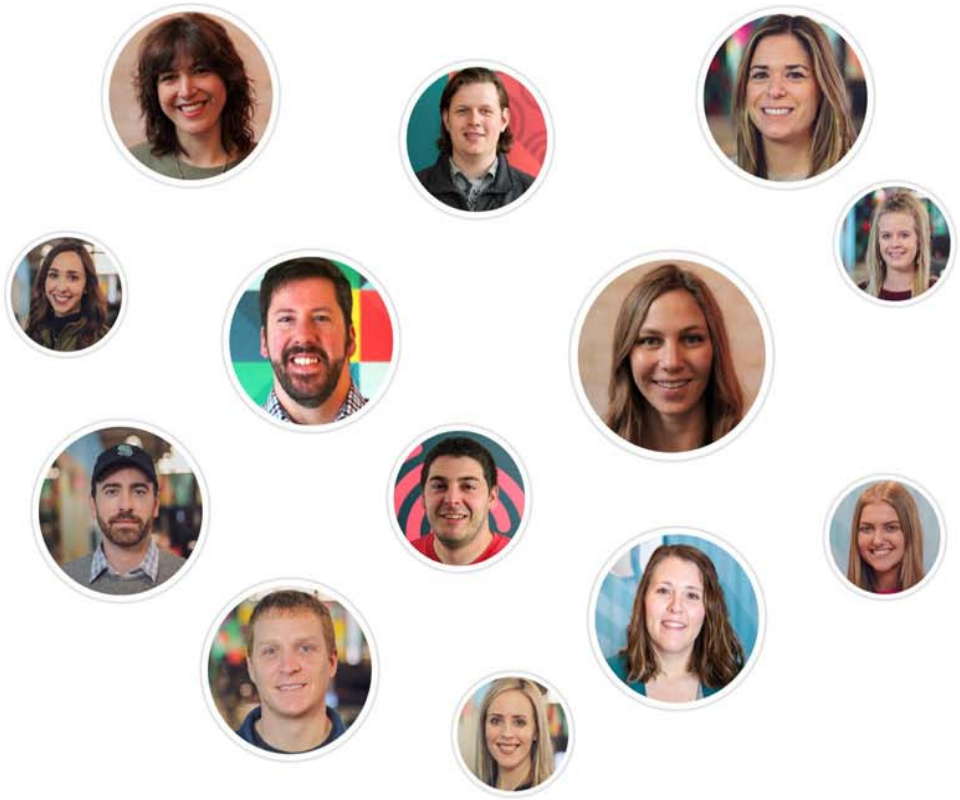
- **Ecommerce Growth Coach**
- **Optimize Conversion**
- **Maximize Product Exposure**

Marketplace Partners

- **Expansive & Competitive Assortment**
- **Best-in-Class Customer Experience**
- **Product Content Champion**

Our Connections Are Your Connections

Leverage our 35-person marketplace platform team to get ahead of the crowd.



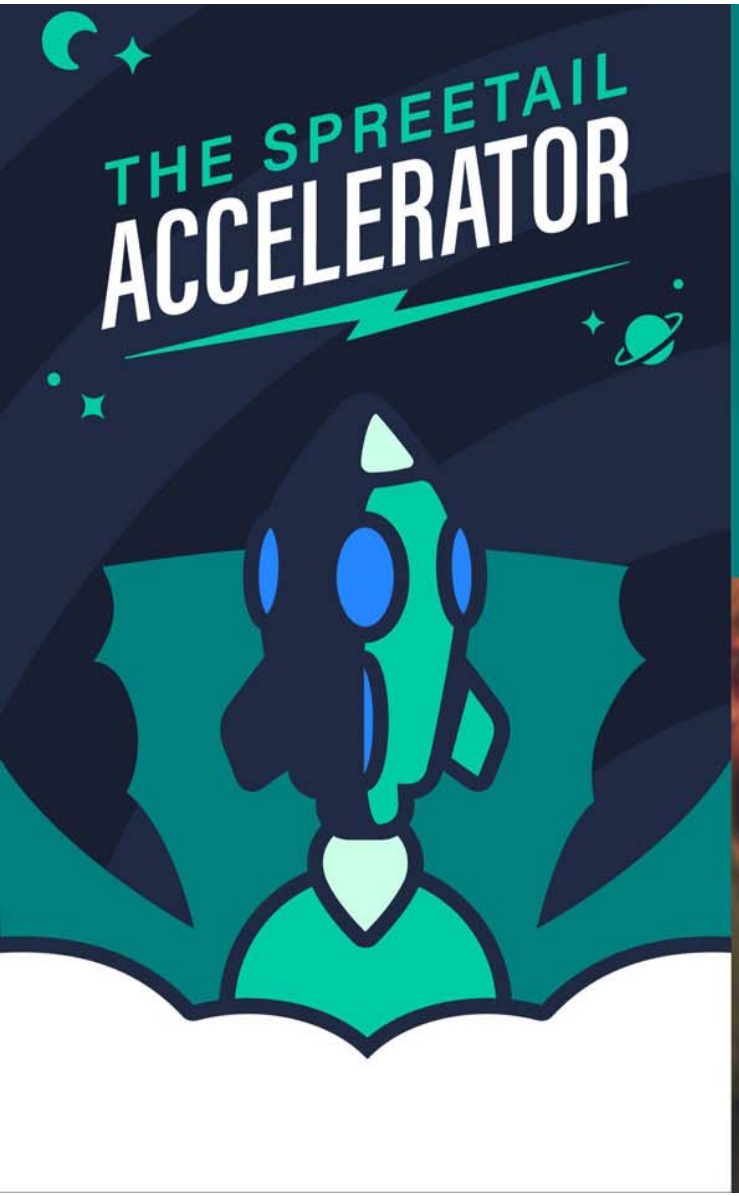
ebay
amazon
macy's
FACEBOOK
newegg
wish
THE HOME DEPOT
wayfair
BEST BUY
TARGET
LOWE'S
Walmart
Google

Achieve healthy growth, faster with the dedicated resources you deserve.

A hyper-specialized launch program we call "The Spreetail Accelerator".

Traditional Retailer (2-3 years)

Spreetail (6-12 Months)



Our Team

1 Acceleration Manager

5-8 Strategic Partners

Other Retailers

1 Account Manager

100+ Accounts

Meet your Acceleration Manager

Spreetail has hired the best ecommerce merchants in the business to be your brand's go-to launch partner. Our dedicated, top-performing Acceleration Managers specialize in successfully launching new partners quickly and healthfully.

Exposure & Conversion Marketing

Maximize your listings with marketplace services that drive more traffic & increase sales.

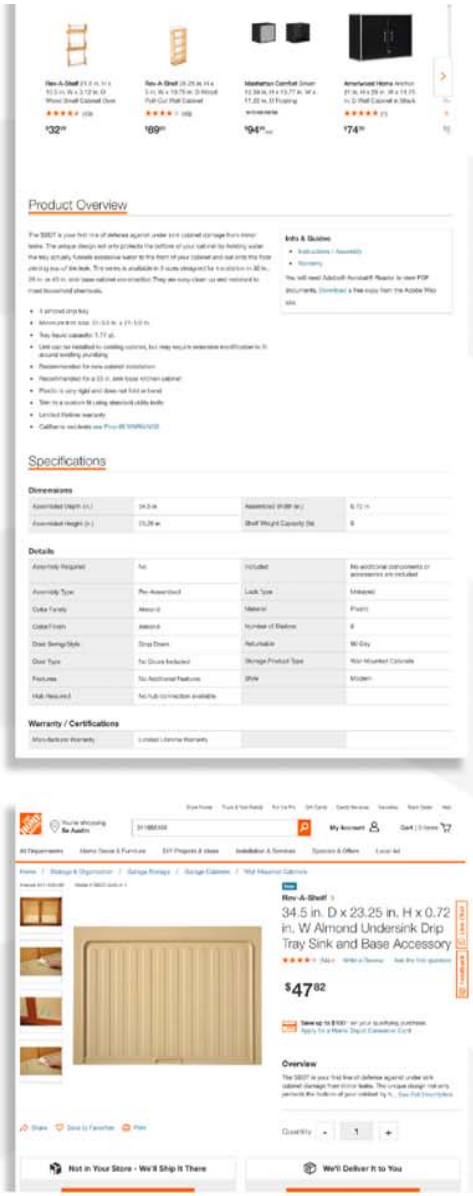
	ECM All Partners	ECM Plus Qualified Partners
Brand Management		
Cross-Platform Brand Audit	●	●
Storefront Creation & Management	—	●
Sponsored Brand Ads	—	●
Sponsored Brand Videos	—	●
Listing Management		
Listing Creation & Optimization	●	●
A+ Content Creation	—	●
Copywriting	●	●
Review Generation	—	●
Variation Creation	●	●
Virtual Package Creation	●	●
Q&A Management	—	●
Marketing/Advertising		
Sponsored Product Ads	—	●
Sponsored Display Ads	—	●
Coupons	—	●
Promotional Management	●	

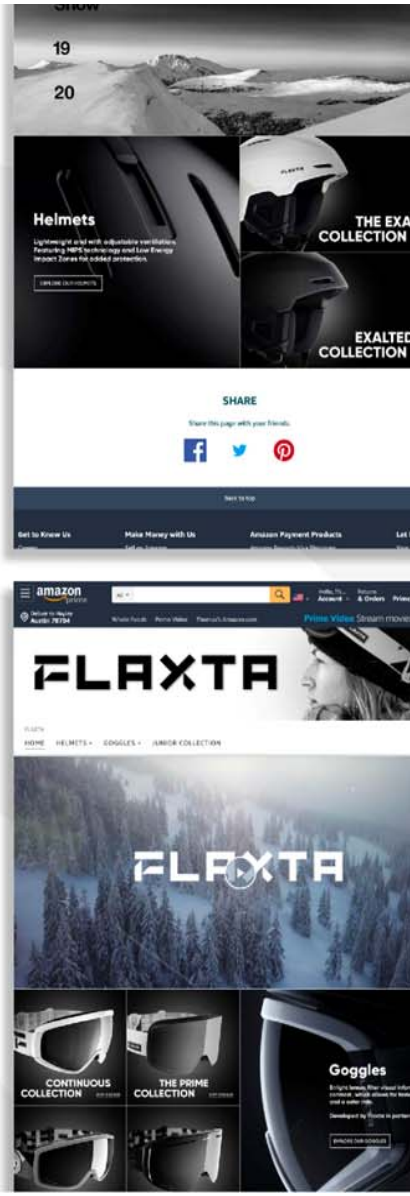
Content that Converts.

Enhanced brand content means better-informed consumers and more sales.

Up to 15% increase in traffic.

Up to 30% increase in conversion rates.



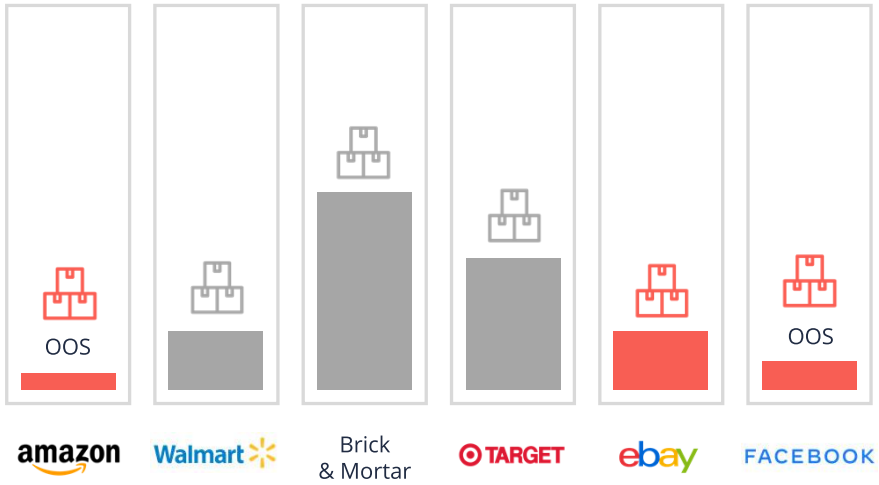


Avoid going out-of-stock with a multi-channel inventory strategy.

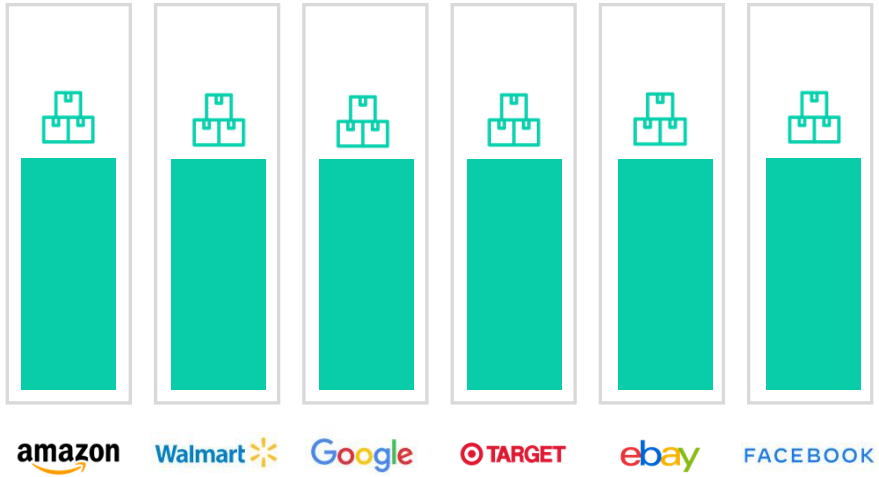
When Spreetail stocks your products, **15+ marketplace** channels are evenly **in stock.**

Traditional Retailer

No Ability to Transfer Inventory if a Channel Runs OOS



Spreetail

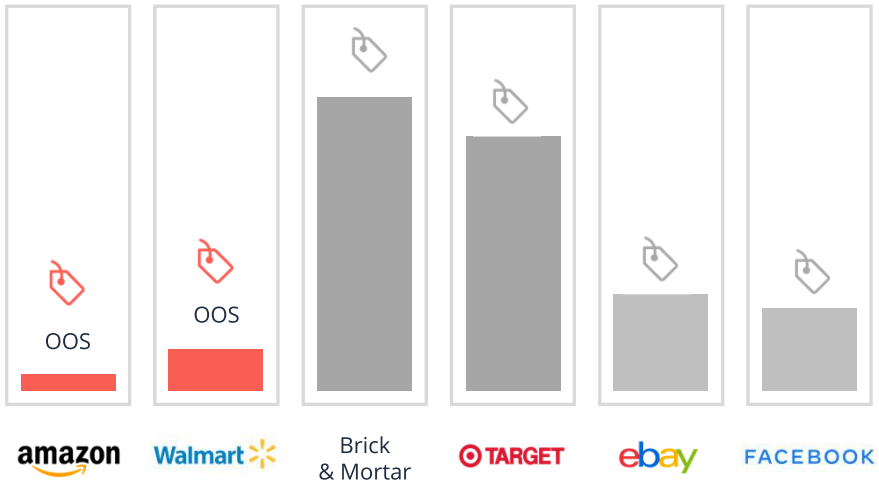


Avoid going out-of-stock with a multi-channel pricing strategy.

Protect your brand quality while staying **in stock.**

Traditional Retailer

Siloed Pricing Strategies



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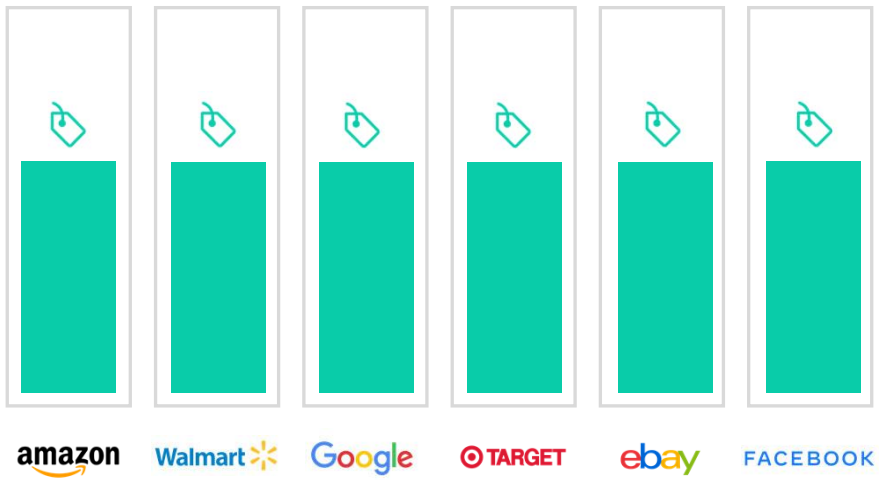


99% 1-2 Day Fulfillment

- 99% Two-Day
- 80% Next-Day
- Fulfillment Center
- Office

	Late Shipments	Pre-Fulfillment Cancellation	Defective Rate	Response < 24 Hours
	0.28%	**0.22%**	**0.05%**	**99.8%**
Online Targets	**<4.0%**	**<2.5%**	**<1.0%**	**>90%**

Go Beyond FBA

Our fulfillment network brings you more value on more channels.

Multi-Marketplace Selling

Stop relying on one channel to drive all your sales. Our fulfillment network allows you to sell across 15+ marketplaces with one world-class fulfillment partner.

Cost Savings

Tired of costly Pick and Pack and freight charges with FBA? Instead of monetizing our supply chain, we work with our extensive freight network to provide the best rates to our partners.

Multi-Channel Pricing & Inventory Strategies

Having issues maintaining consistent retails and keeping products in stock across multiple channels? We provide one point of control across all channels to ensure consistent retails and high in-stock rates across all platforms.

Next-Day Shipping

Covering 99% of the U.S. population next-day and 80% overnight means more of your products purchased, higher search result placement, and more positive customer reviews on 15+ marketplaces.

Operation Gains

Struggling with FBA check-in delays or product shortages? You're not alone. FBA sellers lose weeks of sales and seasonality due to supply chain bottlenecks. We will ensure your product gets checked in and ready to sell within the same day to create the best experience for your customers.

Work With a Real Person

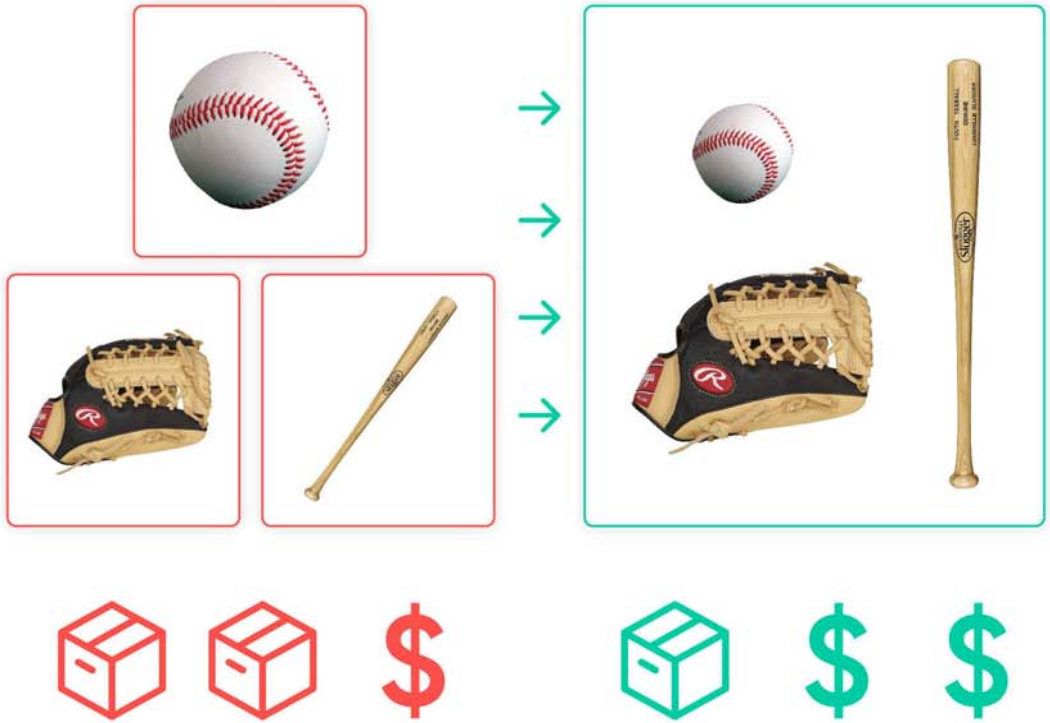
Tired of submitting tickets and receiving automated responses? We believe in the value of real conversation and partnership, which means our ecommerce experts are available when you need help.

Packages & Bundles

Sell more with 1 click.

Unlike most big box retailers, Spreetail can build infinite amounts of bundles while maintaining inventory flexibility that FBA doesn't allow.

Create a better experience for your customer. More listings = higher traffic and better conversion for your brand.



Work with a dedicated ecommerce expert.

With many online retailers, the days of having a Vendor Manager to meet with, talk to, and strategize and resolve issues with are over.*

At Spreetail, we believe in the value of real conversations and partnership. Our ecommerce experts will be with you from the start of our relationship to craft and execute a true growth strategy.

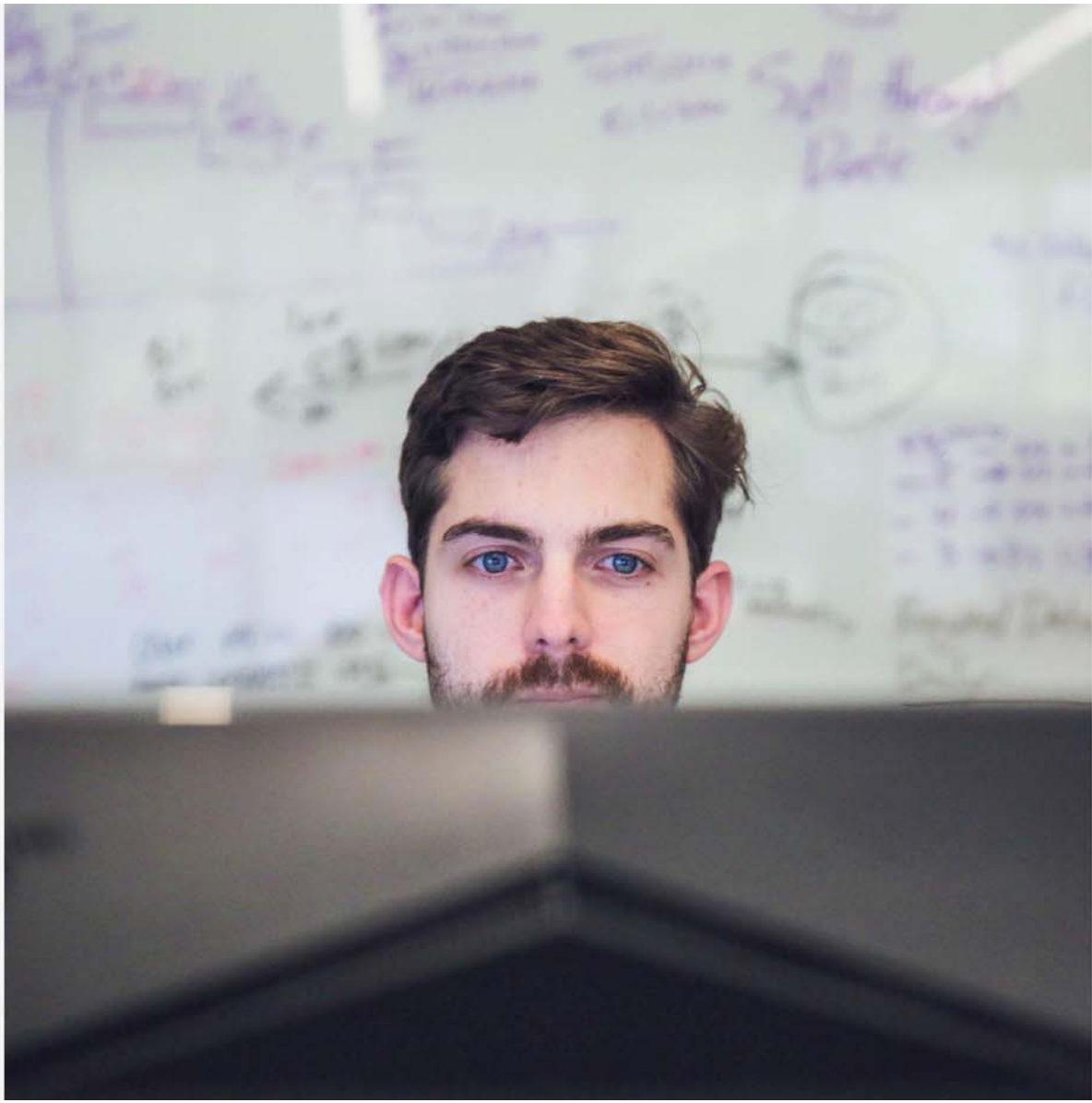
*Source: vendorsociety.com/amazon-vendor-relationship

Control Your Pricing

Digital interactions now influence 56 cents of every dollar spent in brick-and-mortar stores.*

Step away from a 'race to the bottom' pricing strategy used by large online retailers. Our dynamic pricing will help you maintain pricing consistency across channels and keep your products in stock.

*Source:
retaildive.com/news/how-shoppers-use-their-smartphones-in-stores

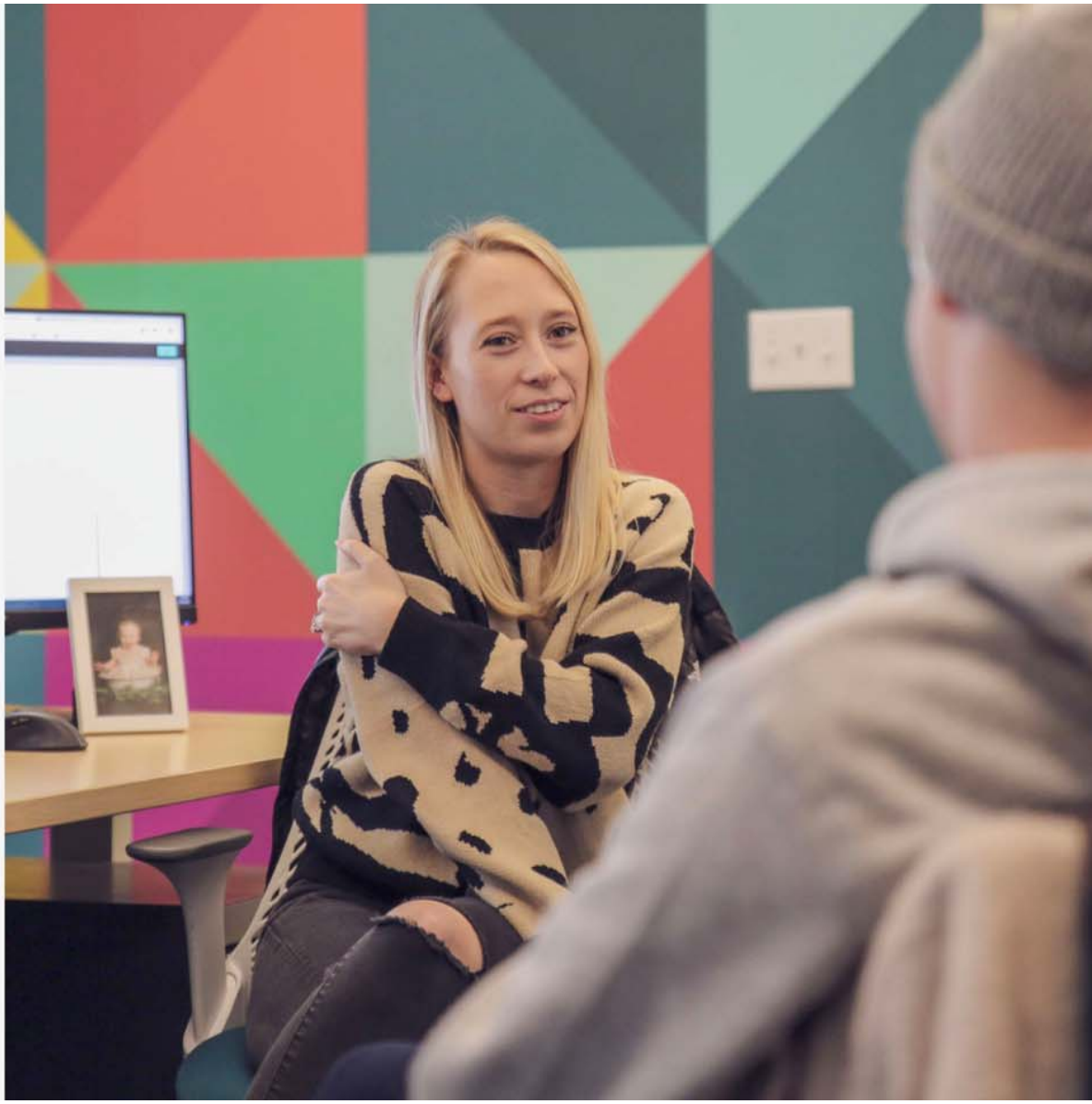


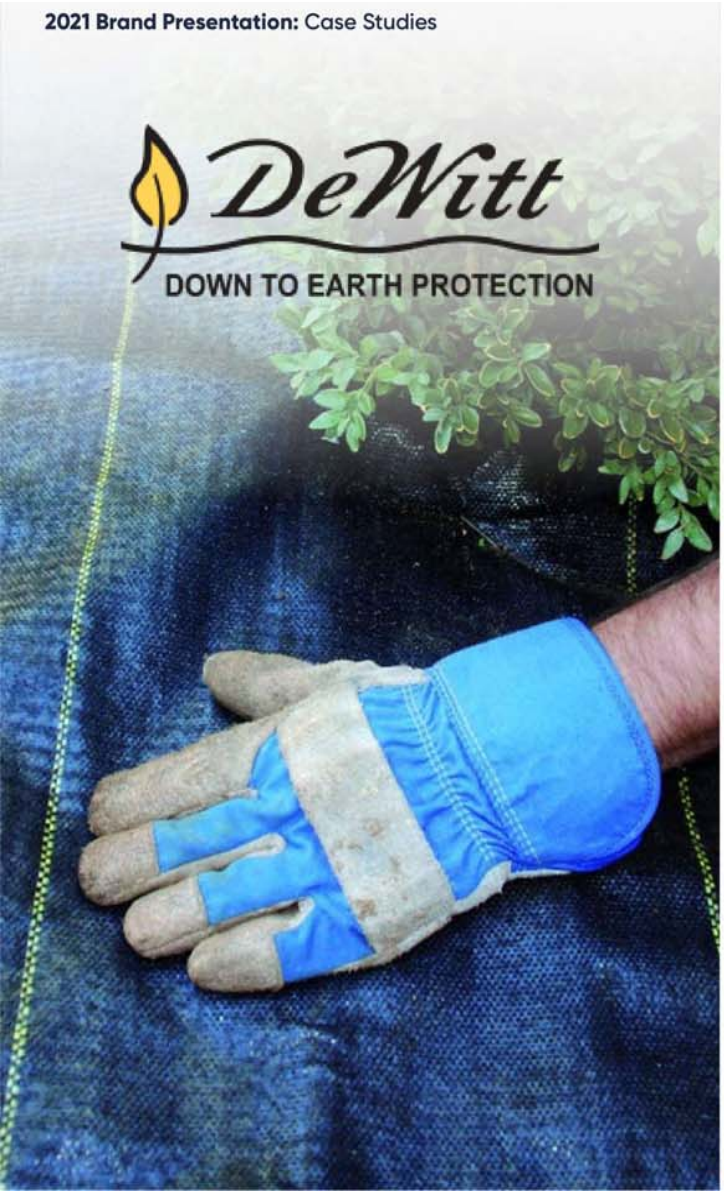
Avoid Chargebacks

Tired of subsidizing large online seller price drops? Many sellers will drop your retails to stay best of web (BOW) and then charge you on the back end. This increases your out-of-stock rates, lowers your margin, and hurts your brand image.

We work with you from the beginning to create an optimal pricing strategy that will position your products successfully across all marketplaces. This will keep your pricing consistent, maintain your brand image, and ensure your online strategy is able to grow and succeed.

*Source:
retaildive.com/news/how-shoppers-use-their-smartphones-in-stores



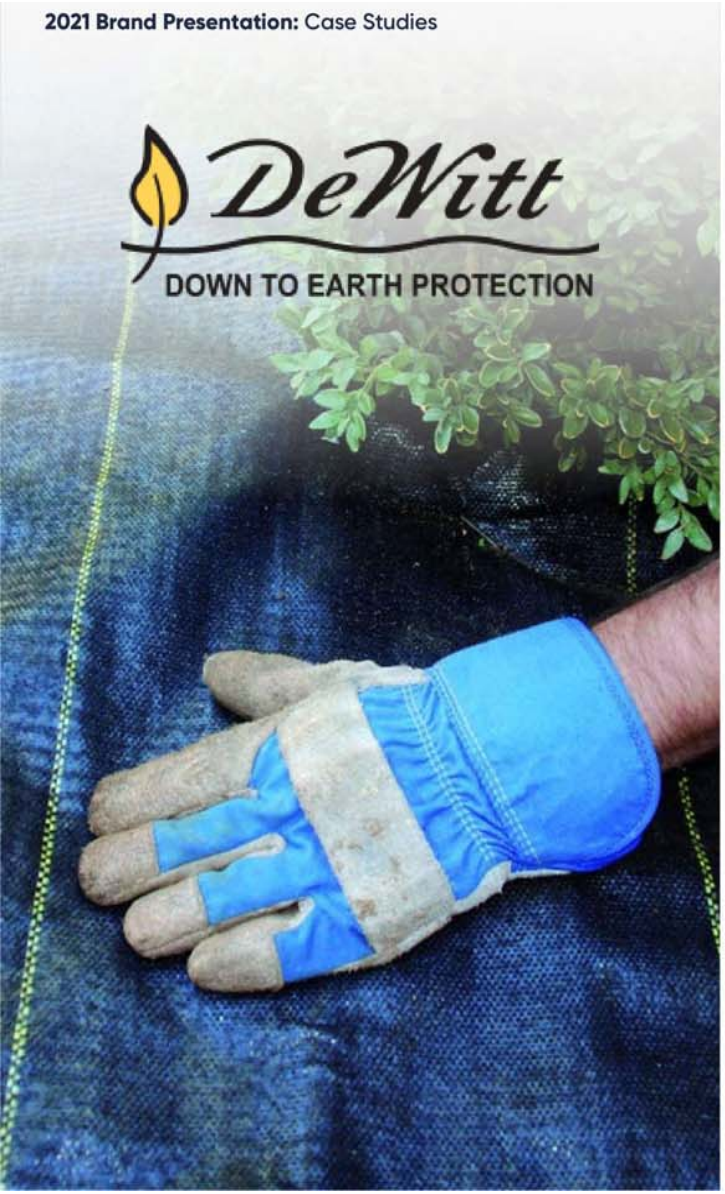


Backstory

Dewitt specializes in landscape fabric, inventing the woven fabric that is now considered the "gold standard" in landscape fabric material today. Spreetail started partnering with DeWitt in the spring of 2018.

Problem

While DeWitt has always been a consistently well-performing company, we were seeing **retail erosion on some of their key SKUs due to price wars.** Out of their top 40 SKUs, 7 make up 80% of the revenue our partnership does, so it was vital to solve this problem.



Since Working With Spreetail

- Year to date GMV doubled
- Profit increased by 33%
- Sales increased by 33%
- Began selling on 2 new marketplaces
- Distributed 26% of sales to new channels

Solutions for Each Phase of the Product Lifecycle

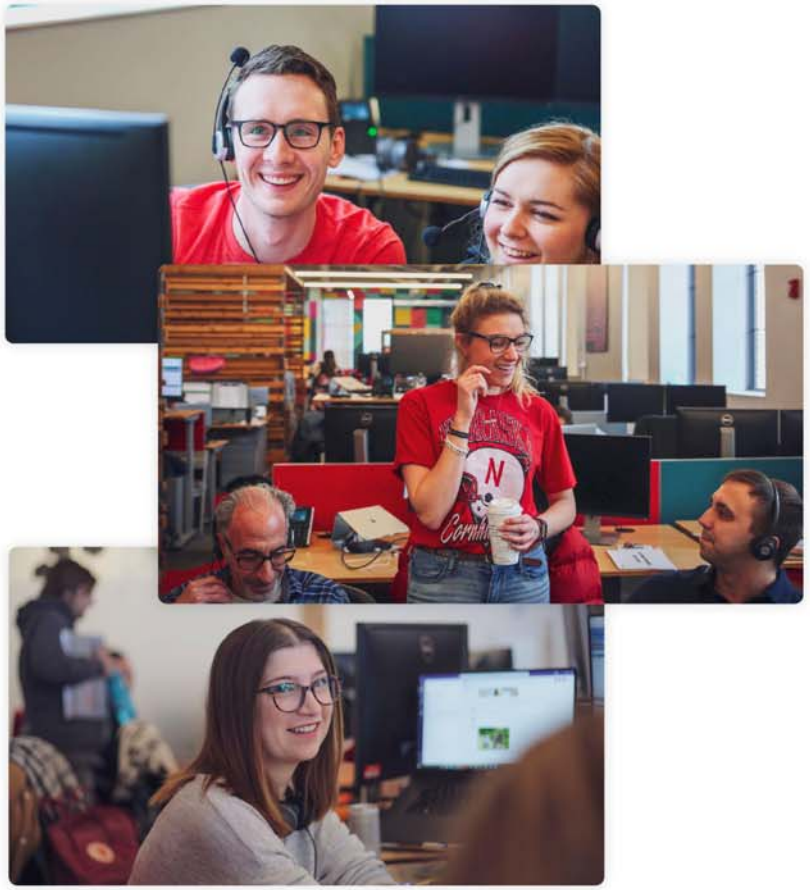
From new product launches to discontinued inventory, Spreetail is truly your end-to-end partner.

In-house customer service based in Lincoln, Nebraska.

90% of calls answered within 20 seconds*

90% of emails answered within 20 minutes*

*7 a.m. - 10 p.m. CST



Glossary of Terms

D2C – Direct to Consumer. This often refers to the manufacturer's website.

DSV – Drop Ship to Vendor (also call it Direct Retail Fulfillment)

LTL (inbound) – Less than a full truck load, referring to the size of a shipment. This means we rent out a space in a truck vs. the full truck.

FTL (inbound) – Full truck load. This means we rent out the entire truck, which lowers our cost per pallet.

LTL (outbound) - This refers to how we ship product to customers. This is specifically for large items over 151 lbs.

FBA – This refers to Fulfilled by Amazon. This is where a seller can list and sell product on Amazon but pays Amazon to provide shipping services or fulfill the product.

3PS – Third party sellers refer to any manufacturer that is selling product on Amazon. There are two types of 3PS: Fulfilled by Merchant, which are sellers without prime and Seller Fulfilled Prime, which are sellers with prime (think Spreetail).

1PS – This refers to situations where Amazon is taking a direct inventory position in product and selling it directly themselves.