

COOPERATIVE ENDEAVOR AGREEMENT

by and between

**STATE OF LOUISIANA,
DEPARTMENT OF ECONOMIC DEVELOPMENT**

and

SK USA, INC.

COOPERATIVE ENDEAVOR AGREEMENT

This cooperative endeavor agreement (“Agreement”), effective November 20, 2012 (“Effective Date”), is made between:

STATE OF LOUISIANA (“State”), acting through the LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT (“LED”), an agency of the State (“State”), represented herein by the Secretary of LED (“Secretary”); and

SK USA, INC. (“Company”), a Delaware corporation authorized to do business in the State, represented herein by the undersigned duly authorized officer.

(The above are collectively referred to as “parties” and singularly referred to as “party”.)

WHEREAS, the parties hereto agree that in consideration of certain inducements to be provided by the State, the Company will maintain and expand its Headquarters in the State, creating and maintaining Required Jobs and Required Payroll as agreed herein (collectively, the “Project”);

WHEREAS, the Louisiana Constitution of 1974, Article VII, Section 14(C), provides that for a public purpose the State and its political subdivisions may engage in cooperative endeavors with each other and with any public or private association, corporation or individual; and in Article VI, Section 21 (A) authorizes assistance to local industry;

WHEREAS, the economic benefit to the State resulting from this Project is projected to exceed the value of the obligations of the State undertaken herein, this Agreement has a public purpose and is in the public interest of the State and its citizens;

THEREFORE, IT IS AGREED:

ARTICLE I DEFINITIONS

Section 1.01 Definitions

“**Act**” means, collectively, Section 14(C) of Article VII and Section 21(A) of Article VI of the Louisiana Constitution of 1974, as amended.

“**Affiliate**” means any business entity that controls or is controlled by the Company or by another business entity that controls the Company, including a parent or subsidiary of the Company, or another subsidiary of a parent of the Company. Control means exercising authority over the management, business policies and operations of the entity, through ownership of a majority of the stock or of the assets of the entity.

“**Agreement**” means this cooperative endeavor agreement, and any amendments or modifications thereto.

“**Air Travel**” means air travel to and from Louisiana (terminal or intermediate destination) by Company officers and employees.

“Assign” or **“Assignment”** means to transfer or assign this Agreement, transfer or assign any of a party’s rights hereunder, or delegate any of a party’s duties hereunder.

“Baseline Jobs” means Jobs maintained by the Company or an Affiliate prior to the Effective Date, to be continued in equal number during the Employment Period. To the extent necessary to meet Required Baseline Jobs, New Jobs shall be deemed to be Baseline Jobs.

“Baseline Payroll” means the amount of Payroll for Baseline Jobs in a Project Year. To the extent necessary to meet Required Baseline Payroll, New Payroll shall be deemed to be Baseline Payroll.

“Certification of Compliance” means a sworn verification of compliance with the Company’s obligations under this Agreement, including supporting documentation, signed by a key employee of the Company (owner, executive or senior level officer, project site manager, or equivalent rank).

“Commissioner” means the State Commissioner of Administration.

“Company” means SK USA, Inc.

“Contract Monitor” is defined in Section 8.01(A), and the initial Contract Monitor is identified in the LED signature section below.

“Cost Report” means a request for annual grant payment under Section 4.01(A), submitted in accordance with Section 8.02(B), reasonably documenting Reimbursable Project Costs equal to the payment requested, including supporting documentation as may be requested by the Contract Monitor (such as invoices, checks and other appropriate records reflecting costs incurred, and a spreadsheet showing approved cost categories, invoice dates, invoicing companies, invoice amount, and a brief description of the items or services purchased).

“Default” is defined in Section 7.01.

“Economic Benefit” means the estimated positive impact of the Project on the economy of the State resulting from the fulfillment of the Company’s obligations hereunder.

“Effective Date” is stated in the first line of this Agreement.

“Employment Period” means a five year period, beginning January 1, 2013.

“Executive Budget” means the budget submitted each year to the Legislature by the Governor, setting forth all proposed State expenditures.

“Force Majeure” means: (1) an act of God, an act of war, or a natural disaster due to earthquake, landslide, fire, flood, tornado, tropical storm or hurricane; (2) which is beyond the reasonable control of a party to this Agreement; and (3) prevents the party from performing its obligations hereunder.

“Goals” means the generation of the Economic Benefit.

“Governor” means the Governor of the State of Louisiana.

“Headquarters” means the corporate domicile of the Company, together with all executive and administrative jobs normally constituting a corporate headquarters.

“Jobs” means permanent, full-time (30 or more hours per week), direct (not contract labor) positions of employment based in the State at the Company’s Headquarters, and filled by employees of the Company or an Affiliate, exclusive of retail staff or managers.

“New Payroll” means the amount of Payroll for New Jobs in a Project Year. To the extent necessary to meet Required Baseline Payroll, New Payroll shall be deemed to be Baseline Payroll.

“Lease Payments” means payments by the Company to the Lessor, after the Effective Date, for the lease of the Headquarters premises in the State.

“Leasehold Improvements” means improvements to the leased Headquarters premises, including constructions and component parts thereof.

“LED” means the Louisiana Department of Economic Development.

“Legislature” means the Legislature of the State of Louisiana.

“Louisiana Employees” means persons employed in Jobs who are deemed to be resident individuals pursuant to La.R.S.47:31(1).

“New Jobs” means new (not existing in the State prior to the Effective Date) Jobs, filled by Louisiana Employees and in excess of Required Baseline Jobs. New Jobs shall not include jobs transferred to the Headquarters from within the State by the Company or an Affiliate, or jobs transferred from other Louisiana sites as a result of the Company or an Affiliate acquiring a business operation or substantially all of its assets, unless back-filled to result in a net job gain within the State. To the extent necessary to meet Required Baseline Jobs, New Jobs shall be deemed to be Baseline Jobs.

“Objectives” means (1) the maintenance, expansion and Operation of the Company’s Headquarters in the State, (2) the maintaining of Required Baseline Jobs and Required Baseline Payroll, and (3) the creation of Required New Jobs and Required New Payroll.

“Operation” means the continuous commercial operation of the Headquarters in Louisiana.

“Payroll” means payment by the Company or an Affiliate to its employees as compensation for Jobs, exclusive of benefits and defined as wages under Louisiana Employment Security Law (La. R.S. 23:1472(20)).

“Performance Measures” means achievement of the Goals and Objectives of this Agreement, fulfillment of the obligations of the Company under Section 4.02, and payment of any reimbursement due under Section 4.03.

“Project” is defined in the second opening paragraph hereof.

“Project Budget” means the estimated total Reimbursable Project Costs, spending schedule, and anticipated funding sources.

“Reimbursable Project Costs” means actual, direct and substantiated costs incurred for Air Travel, Lease Payments, and Leasehold Improvements to maintain, expand and Operate the Headquarters in the State, incurred after the Effective Date, and eligible for reimbursement from the State performance-based grant, as provided in Section 4.01(A).

“Project Year” means any of five consecutive twelve-month periods, beginning on the first day of the Employment Period.

“Required Baseline Jobs” means the number of Baseline Jobs, required to be maintained as an annual average in a Project Year (based upon the count on the 12th day of each month), which number shall be deemed to be 45. Jobs transferred to the Facility from within the State by the Company or an Affiliate, or jobs transferred from other Louisiana sites as a result of the Company or an Affiliate acquiring a business operation or substantially all of its assets, shall be added to Required Baseline Jobs, unless back-filled to result in a net job gain within the State.

“Required Baseline Payroll” means the amount of Payroll for Baseline Jobs required to be paid in a Project Year, which amount in Project Year 2013 shall be deemed to be \$3.0 Million (an estimation based upon the representations of the Company), and thereafter increased as provided in the table in Section 4.02(A).

“Required Jobs” means, collectively, the number of Required Baseline Jobs and Required New Jobs in a Project Year.

“Required New Jobs” means the number of New Jobs required to be maintained as an annual average in a Project Year (based upon the count on the 12th day of each month), as provided by the table in Section 4.02(A).

“Required New Payroll” means the amount of Payroll for New Jobs (in excess of Required Baseline Payroll) required to be paid in a Project Year, as provided by the table in Section 4.02(A).

“Required Payroll” means, collectively, the amount of Required Baseline Payroll and Required New Payroll in a Project Year.

“Secretary” means the Secretary of the Louisiana Department of Economic Development.

“State” means the State of Louisiana.

“**State Investment**” means the total amount of payments to be made by the State through LED, pursuant to Section 4.01(A).

Section 1.02 Use of Defined Terms

(A) Terms defined in this Agreement shall have their defined meanings when used herein, and in any document, certificate, report or agreement furnished in connection with this Agreement, unless the context clearly requires otherwise.

(B) Words indicating the singular number shall include the plural number and vice versa, and words of the masculine gender shall include correlative words of the feminine and neutral genders and vice versa, unless the context clearly requires otherwise.

(C) The words “hereof” and “herein” shall be construed to refer to the entirety of this Agreement and shall not be restricted to the particular portion of this Agreement in which they appear.

(D) Section numbers shall refer to sections of this Agreement.

**ARTICLE II
AUTHORITY**

Section 2.01 State Authority

The State is granted authority, pursuant to the Act, to enter into cooperative endeavor agreements with public and private associations or corporations for a public purpose, including agreements which may require the use of state funds, personnel or other resources, provided legal guidelines are met and the Economic Benefit is demonstrated to be commensurate with or greater than the investment of funds by the State. This Agreement is entered into pursuant to the Act, and with the expectation and belief that the Economic Benefit will exceed the applicable obligations of the State.

Section 2.02 Company Authority

A duly executed resolution or other evidence of the authority of the Company to enter into this Agreement and to carry out the commitments made herein, and the authority of the undersigned representative to execute this Agreement on behalf of the Company, certified by the secretary or other authorized representative of the Company, is attached hereto as Exhibit A. The Company has also furnished to LED a disclosure of ownership as filed with the Louisiana Secretary of State, and a certificate of authority issued by the Louisiana Secretary of State.

Section 2.03 Other Approvals

(A) The parties hereto acknowledge that certain sources of funding of the State Investment and other State obligations may require approval of the Governor or the Legislature.

(B) This Agreement is not effective until signed by all parties, and approved by the Director of the State’s Office of Contractual Review or the Commissioner of Administration.

ARTICLE III REPRESENTATIONS

Section 3.01 State Representations

As a material inducement to the Company to enter into this Agreement, without which it would not have entered into this Agreement, the State makes the following representations:

- (A) LED has obtained an Economic Impact Analysis of the Project indicating that the Project will result in a positive return on the State Investment as measured by projected tax revenues.
- (B) The State's obligations under this Agreement are made for the public purpose of generating the Economic Benefit and are part of a bargained for exchange with the Company.

Section 3.02 Company Representations

As a material inducement to the State to enter into this Agreement, without which it would not have entered into this Agreement, the Company makes the following representations:

- (A) The Company is a duly and legally organized Delaware corporation, in good standing under the laws of that state, and authorized to do business in the State of Louisiana, with all powers and governmental licenses, authorization, qualifications, consents and approvals required to carry on its business in the State as now conducted, and will acquire and possess all such required authority to carry on the business contemplated in this Agreement, including the leasing and Operation of the Headquarters in the State.
- (B) The Company has all the requisite power and authority to enter into this Agreement and to carry out the terms hereof; and the person signing this Agreement has the authority to execute this Agreement as the authorized representative of the Company, and to bind the Company to all of the terms of this Agreement.
- (C) This Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its terms.
- (D) The Company has taken or will take all necessary and proper action to authorize the execution, issuance and delivery of this Agreement and any other documents required by this Agreement, and the performance of its obligations under this Agreement.
- (E) The execution of this Agreement and any other documents required by this Agreement, and the performance by the Company of its obligations hereunder are within the powers of the Company and will not violate any provisions of any law, regulation, decree or governmental authorization applicable to the Company or any agreements of the Company with any of its creditors.
- (F) At the time of execution of this Agreement, the Company is in full compliance with all currently applicable terms and conditions of this Agreement, and no event that would constitute a Default hereunder has occurred or is continuing, and no event, act or omission has occurred or is continuing which with the lapse of time or the giving of notice would constitute a Default.

(G) Except as may be otherwise disclosed in writing, there is no action, suit, investigation or proceeding pending, or to its best knowledge threatened, against the Company before any court, arbitrator, or administrative or governmental body which could reasonably be expected to result in a material adverse change in the Company's financial condition or operations, or in the Company's ability to comply with its obligations hereunder or to participate in the transactions contemplated hereby.

(H) To the best of the Company's knowledge following reasonable inquiry, this Agreement contains no untrue or misleading statement of any material fact. There is no material fact or circumstance known to the Company which adversely affects or, so far as the Company can now reasonably foresee, will adversely affect the condition of the Company or its ability to perform its obligations hereunder, which the Company has not disclosed in writing to LED. All representations made herein by the Company are true and accurate and remain in full force and effect.

ARTICLE IV OBLIGATIONS

Section 4.01 LED Obligations

(A) State Investment; Performance-based Grant. The State through LED shall provide the Company with a performance-based grant of \$2.4 Million for Reimbursable Project Costs, to be paid on a cost reimbursement basis of \$1 from LED for each \$1 expended by the Company for such purposes, in accordance with the procedures provided in Section 8.02(B) and subject to an annual limit of \$480,000 (grant funds within the annual limit not paid in one year may be carried over and paid in a subsequent year), within 90 days after completion of each Project Year, or if later, within 10 business days after receipt of documentation of performance for the Project Year as required in Section 8.02. Payments shall be reduced and forfeited by any reimbursement due under Section 4.03.

(B) LED FastStart. During the Company's employment ramp-up, LED will provide, at no cost to the Company, customized workforce support to the Company through the LED FastStart program, including assistance with employee recruitment, screening, training development and delivery.

(C) Termination of State Obligations. If a Default occurs (subject to the right to cure as provided in Section 7.02(A)(2) and Force Majeure as provided in Section 7.04), or this Agreement is terminated for cause, then the State shall have no further obligations to the Company under Section 4.01.

Section 4.02 Company Obligations

(A) Maintenance, expansion and Operation of Headquarters. Throughout the Employment Period, the Company shall continuously maintain Operation of its Headquarters in the State, maintaining and creating Required Jobs and Required Payroll as follows:

| Project Year | Required Baseline Jobs | Required Baseline Payroll | Required New Jobs | Required New Payroll | Required Jobs | Required Payroll |
|---------------------|-------------------------------|----------------------------------|--------------------------|-----------------------------|----------------------|-------------------------|
| 2013 | 45 | \$3.0 Million | 15 | \$1.1 Million | 60 | \$4.1 Million |
| 2014 | 45 | \$3.1 Million | 30 | \$2.3 Million | 75 | \$5.4 Million |
| 2015 | 45 | \$3.2 Million | 45 | \$3.6 Million | 90 | \$6.8 Million |
| 2016 | 45 | \$3.3 Million | 60 | \$4.9 Million | 105 | \$8.2 Million |
| 2017 | 45 | \$3.4 Million | 60 | \$5.1 Million | 105 | \$8.5 Million |

Failure to maintain Required Jobs shall not be considered a default if Required New Payroll is met or nonperformance reimbursement timely made in accordance with Section 4.03(A). If the Company exceeds Required New Payroll in any Project Year, the Company will receive a credit for the excess on a dollar-for-dollar basis, which may be applied as Payroll toward Required New Payroll in any future short-fall year.

(B) Security. Prior to payment of the annual performance-based grant, the Company shall provide the State with a pledge of cash in accordance with the schedule below, escrowed for the benefit of the State with a neutral third party commercial escrow agent at the Company's expense, on commercially reasonable terms satisfactory to LED, securing payment of any reimbursement that may become due under this Agreement, and shall execute and provide all documents necessary to perfect such security. The Required Escrow Balance for Project Year 2013 shall be pledged on or before December 31, 2012. Subsequent adjustments to the required escrow balance shall be made within 30 days after payment of the annual performance-based grant for the prior Project Year (including any reduction and forfeiture thereof under Section 4.03). The required escrow balance shall not be reduced during any time in which the Company owes a reimbursement payment or is in Default.

| Project Year | Required Escrow Balance |
|---------------------|--------------------------------|
| 2013 | \$187,000 |
| 2014 | \$286,000 |
| 2015 | \$284,000 |
| 2016 | \$185,000 |

(C) No Other State Incentives. Prior to and during the Employment Period, the Company shall not be eligible for and shall not seek the benefit of any State economic development incentive or tax exemption, credit, or rebate program based upon the Jobs and Payroll for which the Company is obligated under this Agreement, and the company shall not apply for benefits under the Quality Jobs program or the Enterprise Zone program.

(D) Louisiana Preference. To the extent allowed by law, the Company agrees to use reasonable commercial efforts to give preference to Louisiana manufacturers, suppliers, vendors, contractors and subcontractors in connection with the Operation of the Headquarters in the State, provided such

entities are competitive in price, quality and delivery; however, the Company retains ultimate discretion over such decisions.

Section 4.03 Reimbursements

(A) Nonperformance reimbursement. If the Company fails to meet Required New Payroll in any Project Year (a “short-fall year”), the Company shall reimburse the State an amount equal to 8.16% of the shortfall.

(B) Accelerated Reimbursement. If a Default occurs (subject to the right to cure as provided in Section 7.02(A)(2) and Force Majeure as provided in Section 7.04), or this Agreement is terminated for cause, then in addition to any non-performance reimbursement that may be due for a prior or the current year, and in lieu of any non-performance reimbursement in future years, the Company shall reimburse the State a lump sum amount equal to the present value (at a 5% discount rate) of nonperformance reimbursements for all future years, assuming a \$0 Payroll in each future year, and the State shall have no further obligations to the Company under Section 4.01.

(C) Maximum reimbursement. In no event shall total reimbursements under this Section exceed an amount equal to the State Investment received by the Company, increased by five percent per year compounded annually.

(D) Reimbursement procedure. Reimbursement shall be due on the first business day following the end of a shortfall year or an event constituting other grounds for reimbursement. Reimbursement shall first be made by reducing and forfeiting the annual performance-based grant for the corresponding year; any reimbursement remaining due after such offset shall be paid by the Company within 60 days; and upon request by LED to the escrow agent, any reimbursement not so paid within 60 days shall be paid from the escrow account provided in Section 4.02(B). Interest at the greater of 5% or the judicial interest rate shall accrue on unpaid reimbursements from the date due until the reimbursement and interest are fully paid. At the discretion of LED any reimbursement due may be offset against any State obligation owed to the Company. These reimbursement provisions are not intended by the parties to be a forfeiture or penalty clause, but instead are negotiated by the parties in order to protect the State and its expected economic return on its investment.

ARTICLE V APPROPRIATIONS

Section 5.01 Nonappropriation

All State obligations under this Agreement shall be subject to appropriation by the Legislature of sufficient funds therefor and the availability of funds following Legislative appropriation, and subject to termination or reduction due to unavailability of funding. The State agrees to request that the Executive Budget include the funds necessary for the State Investment and to use its best efforts to effect the necessary Legislative appropriations, but makes no representations, warranties or covenants, express or implied, that the Legislature will make such appropriations.

Section 5.02 Suspension during Nonappropriation

A failure by the Legislature to timely appropriate sufficient funds for the State Investment, or a reduction of such an appropriation required by law, shall not constitute an event of default under this Agreement, and this Agreement shall continue in full force and effect as if the appropriation had been made. However, such failure or reduction shall suspend the Company's duty to fulfill its obligations set forth in Section 4.02 (but not any obligation to reimburse the State attributable to a time period during which the State met its funding obligations) until the State is current on its payments, at which time all Company obligations hereunder shall be effective as if no suspension had occurred (except no interest shall be assessed on any reimbursement attributable to the suspension period). Any such suspension shall not extend the Employment Period.

**ARTICLE VI
ASSIGNMENT AND TRANSFER**

The Company shall not Assign this Agreement, or transfer ownership of or controlling interest in the Company, substantially all of its assets, or the Headquarters lease, without the prior written consent of LED, which consent shall not be unreasonably withheld and shall be based on ensuring a successor of equivalent financial stability and staffing capability so as to secure the intended Economic Benefit. Prior to any such assignment or transfer, the Company shall provide LED with the assignment or transfer document, which shall include provisions maintaining the liability of the Company under this Agreement and shall be in a form and substance satisfactory to LED. However, the Company may make such an assignment or transfer to an Affiliate, without the prior written consent of LED, provided that no such assignment or transfer shall constitute a release of the Company from its obligations hereunder.

**ARTICLE VII
DEFAULT**

Section 7.01 Default

Subject to the right to cure as provided in Section 7.02(A)(2) and Force Majeure as provided in Section 7.05, the occurrence of any of the following actions during the term of this Agreement shall constitute a Default:

- (1) Failure to maintain Operation as required by Section 4.02(A);
- (2) Assignment of this Agreement, or transfer of ownership of or controlling interest in the Company, substantially all of its assets, or the Headquarters lease, other than as permitted under Article VI;
- (3) Failure to satisfy any of the Company's obligations under this Agreement, excluding non-performance for which reimbursement to the State is timely made (failure to maintain Required Jobs shall not be considered a Default if Required New Payroll is met or nonperformance reimbursement timely made); or
- (4) Commencement of a bankruptcy, liquidation, reorganization or dissolution proceeding by or against the Company.

Section 7.02 Default Remedies

(A) Upon the occurrence of a Default:

(1) The State shall provide the Company with written notice specifying the Default, and

(2) If the Default is susceptible to correction, the Company shall have a 30-day period from the date of notice within which to cure the Default.

(3) State payments to the Company shall be suspended during any period of Default.

(B) After such notice, and, if applicable, expiration of the 30-day cure period without correction of the Default, the State may:

(1) Terminate this Agreement for cause, and

(2) Protect and enforce its rights by suit or other appropriate legal or equitable remedy available by law.

Section 7.03 Delay or Omission

No delay or omission in the exercise of any right or remedy accruing to the State or LED upon any breach of this Agreement by the Company shall impair such right or remedy or be construed as a waiver of any breach theretofore or thereafter occurring. The waiver of any condition or the breach of any term, covenant, or condition herein or therein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant or condition herein or therein contained.

Section 7.04 Force Majeure

(A) Upon occurrence of an event of Force Majeure, the Company shall have the right, but not the obligation, to declare a Force Majeure period, by giving written notice of such event and declaration to the State within thirty days of such occurrence. Time being of the essence, the Company shall make every reasonable effort to give such notice as soon as possible, but in any event notice must be given within 30 days of the occurrence.

(B) The Force Majeure period shall continue from the date of such notice until the effects of such Force Majeure are removed, remedied or repaired, or otherwise no longer prevent performance of the Company's obligations hereunder. During the Force Majeure period, the obligations of the Company and the State under this Agreement shall be suspended, except any Company obligation to pay reimbursements arising prior to the event of Force Majeure, and the Employment Period and relevant Project Years shall be extended to the extent of such suspension. No Force Majeure period arising from a single event of Force Majeure shall be deemed to exist for longer than one year from the date of such notice, and the aggregate Force Majeure period during the term of this Agreement shall not exceed two years.

(C) The Company must proceed with due diligence to effect repairs or undertake efforts to remedy or mitigate the effects of a Force Majeure, and within 60 days of the occurrence of the

event of Force Majeure shall provide the State with a report showing the efforts made and to be made to remedy or mitigate the effects, and a timetable to return to full performance.

ARTICLE VIII MONITORING; REPORTS; AUDIT

Section 8.01 Contract Monitoring

(A) The Secretary of LED or his designee will designate, and may change from time to time, one or more persons on his staff to act as Contract Monitor for the Project, to act as LED's representative and liaison between LED and the Company, and to monitor the achievement of the Goals, Objectives, and Performance Measures of this Agreement.

(B) The Company agrees to LED's monitoring through the Contract Monitor of: (1) the Operation of the Headquarters; (2) expenditures for Reimbursable Project Costs; (3) creation and maintenance of Required Jobs and Required Payroll; (4) use of Louisiana manufacturers, suppliers, contractors and subcontractors, and (5) compliance with the Company's obligations under this Agreement. Such monitoring may include review of documents and Facility inspections, and will be documented in writing.

(C) Any approval by the Contract Monitor required by this Agreement may be provided by the Secretary or his designee. The Secretary reserves the right to deny approval or countermand an approval by the Contract Monitor.

Section 8.02 Reports

(A) Project Budget. The Project Budget is attached hereto as Exhibit B. If the estimated Reimbursable Project Costs or the schedule of expenditure of such Reimbursable Project Costs should materially change at any time, the Company shall immediately submit a revised Project Budget to the Contract Monitor showing such changes. The State Investment shall not be increased nor payment thereof accelerated, by any such revision.

(B) Cost Report; Certification of Compliance. Within 60 days following the end of each Project Year, the Company shall request annual grant payments in accordance with Section 4.01(A) and the Project Budget by submitting to the Contract Monitor a Cost Report, in the general form of the attached Exhibit C, together with a Certification of Compliance, in the general form of the attached Exhibit D and any additional documentation requested by the Contract Monitor, specifically verifying Required New Payroll for that Project Year. Within 30 days of receipt of adequate documentation, the Contract Monitor shall determine whether Required New Payroll has been met, determine the amount of reimbursement due for any shortfall in Required New Payroll, and approve the annual grant amount to which the Company is entitled. Upon approval by the Contract Monitor, grant requests will be paid as provided in Section 4.01(A). All original documentation supporting the Cost Report and Certification of Compliance shall be maintained by the Company for the period ending three years after expiration of the Employment Period or termination of this Agreement, whichever is earlier, and shall be subject to audit as hereinafter provided.

(C) Quarterly Payroll Reports; On a calendar quarterly basis, the Company shall deliver to the Contract Monitor copies of the Company's most recent Quarterly Report of Wages Paid when submitted to the Louisiana Workforce Commission.

(D) Other Documentation. During the term of this Agreement the Company shall provide to the Contract Monitor any other requested documentation which may be reasonably required to monitor and confirm compliance with the Company's obligations, and achievement of the Goals and Objectives of this Agreement.

Section 8.03 Audit

(A) Within 90 days of request by LED (which request shall be made upon good cause and no more frequently than annually), the Company shall deliver to the Contract Monitor a certified limited scope audit by an independent certified public accountant, in accordance with applicable auditing standards generally accepted in the United States, of all books and records of the Company (and Affiliates, as applicable) related to the Company's obligations under this Agreement, including verification of all items included in the certification required by Section 8.02(B).

(B) The Company shall make all of its books and records (and those of Affiliates, as applicable) relating to and documenting compliance with the Company's obligations under this Agreement available to LED for audit upon request, and to the Louisiana Legislative Auditor as may be required by law. To the extent permitted by law, all information provided shall be treated as confidential and privileged information, and if permitted by law such information shall not be disclosed to third parties without the Company's consent.

Section 8.04 Confidential Proprietary or Trade Secret Information

All records containing proprietary or trade secret information which the Company intends to be maintained by LED as confidential pursuant to La.R.S.44:3.2 shall be submitted with a cover sheet that provides in bold type "DOCUMENT CONTAINS CONFIDENTIAL PROPRIETARY OR TRADE SECRET INFORMATION", and with each instance of information which the company believes to be proprietary or trade secret information clearly marked.

ARTICLE IX LIABILITY

Section 9.01 No Personal Liability

No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, officer, agent or employee of any party hereto in his individual capacity, and neither the officers of any party hereto nor any official executing this Agreement shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement except to the extent provided by law.

Section 9.02 Indemnification

The Company hereby agrees to protect, defend, indemnify, save and hold harmless the State, LED and all State departments, agencies, boards and commissions, its officers, agents, servants and employees, including volunteers, from and against any and all claims (even if such claims are groundless, false or fraudulent), demands, expenses and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any act or omission of the Company, its agents, servants, and employees, and from any and all resulting costs, expenses, and attorney fees incurred by the Company, except for those claims, demands, expenses and liability arising out of the negligence of the State, its departments, agencies, boards, commissions, agents, representatives, or employees.

ARTICLE X PRIOR AGREEMENTS

Any prior Memorandum of Understanding or other offers or agreements between the parties hereto relating to the Project are superseded by this Agreement and shall cease to be in effect upon the Effective Date hereof.

ARTICLE XI TERM

The term of this Agreement shall extend from the Effective Date through the last day of the Employment Period. This Agreement shall remain in effect thereafter to the extent necessary to enforce any reimbursements due by the Company to the State.

ARTICLE XII MISCELLANEOUS

Section 12.01 Tax Liability

The Company agrees that the responsibility for the payment of any taxes due to the funds received under this Agreement shall be the Company's obligation identified under its Federal Tax Identification Number which has been provided to LED.

Section 12.02 Non-Discrimination

The Company agrees to abide by the requirements of the following laws (as amended), to the extent applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964; the Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; the Uniformed Services Employment and Reemployment Rights Act of 1994; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and the Americans with Disabilities Act of 1990. The Company agrees that, to the extent required by law, it shall not discriminate in its employment practices and shall render its services without discrimination, and without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities.

Section 12.03 Captions

The captions or headings in this Agreement are for convenience only and do not define or limit the scope or extent of this Agreement.

Section 12.04 Counterpart

This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which when taken together shall be deemed one and the same Agreement.

Section 12.05 Choice of Law

This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

Section 12.06 Jurisdiction and Venue

The 19th Judicial District Court in the Parish of East Baton Rouge, State of Louisiana, shall be deemed to be the exclusive court of jurisdiction and venue for any litigation, special proceeding or other proceeding as between the parties that may be brought, or arise out of, in connection with, or by reason of this Agreement; and the Parties hereto submit themselves to the jurisdiction of said court in the event of any legal proceedings in connection with this Agreement.

Section 12.07 Further Assurances

From time to time hereafter the Company shall execute and deliver such additional instruments, certificates or documents, and take all such actions as LED may reasonably request for the purpose of fulfilling the parties' obligations hereunder.

Section 12.08 Notices

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be delivered by (1) hand-delivered by courier, with signed receipt; (2) mailed through the United States Postal Service, postage prepaid, first-class, with return receipt requested; (3) delivered by private, commercial carrier, such as Federal Express, with signature for delivery; or (4) sent by telex, telegram, electronic facsimile transmission or other similar form of rapid transmission confirmed by written notice sent (by one of the first three methods described above) at substantially the same time as such transmission. All such communications shall be delivered to the address set forth below, or to such other address as may be designated by such party in written notice to the other party.

To the State/LED:

Stephen M. Moret, Secretary
Louisiana Department of Economic Development
P. O. Box 94185; Baton Rouge, LA 70804-9185 (U.S.P.S. mail)

Capitol Annex, Room 229; 1051 North 3rd Street; Baton Rouge, LA 70802-5239 (Delivery)
Telephone: (225) 342-3000
Fax: (225) 342-9095

To the Company:

[insert]

Section 12.09 Severability

To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provisions of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 12.10 Amendment

This Agreement may be amended only upon the written consent and approval of all parties, and the approval of the Director of the State's Office of Contractual Review or the Commissioner of Administration.

IN WITNESS WHEREOF, this Cooperative Endeavor Agreement has been signed in duplicate originals by the undersigned duly authorized representatives, in the presence of the undersigned competent witnesses, on the dates indicated below.

WITNESSES:

SK USA, INC.

(1) _____
Signature

By: _____
Signature

Printed Name

Printed Name

(2) _____
Signature

Title: _____

Printed Name

Date: _____

WITNESSES:

LOUISIANA DEPARTMENT OF
ECONOMIC DEVELOPMENT

(1) _____
Signature

By: _____
Stephen Moret, Secretary

Printed Name

Date: _____

(2) _____
Signature

Printed Name

LED CONTRACT MONITOR:

Signature

Printed Name

Date

EXHIBIT A

(Company Authorizing Resolution)

EXHIBIT B

(Project Budget)

EXHIBIT C
COST REPORT

Company Name:
Address:
Telephone/E-mail:

Cost Report for: _____ (applicable time period)

| Cost Category | Grant Amount | Reimbursement to Date | Requested Reimbursement | Remaining Balance |
|---------------|--------------|-----------------------|-------------------------|-------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Totals: | | | | |

I hereby certify that the costs shown in this Cost Report are true and correct, have been incurred, and reimbursement is now due, in accordance with the terms of the cooperative Endeavor Agreement between the Company and LED, and applicable law.

Company Authorized Representative (Signature & Title)

(Date)

Print/Type Name & Title

Attach to and submit with this Cost Report: Adequate supporting documentation (invoices, checks or other appropriate records reflecting expenses incurred), and a spreadsheet showing invoice date, vendor/contractor name, dollar amount, and a brief description of items or services purchased.

EXHIBIT D

CERTIFICATION of COMPLIANCE

**Project Year 2012
(1/1/12 – 12/31/12)**

Company: _____ **CFMS #** _____

Facility: _____ **Effective Date:** _____

On behalf of the above named company, for the purpose of verifying compliance with the requirements of the above referenced Cooperative Endeavor Agreement, the undersigned representative certifies that to the best of his knowledge, after making reasonable inquiry, the following information is true and correct for the above referenced Facility and Project Year:

1. Operation of the Headquarters: See attachment for identification of executive, administrative and professional positions based at the Headquarters in the State.
2. Required Jobs and Required Payroll: See attachment.

Thus done and signed before the undersigned Notary Public, on the _____ day of _____, 2012, in _____, Louisiana.

| | |
|---------------------------------------|--------------------------|
| _____ Notary Public (signature) | By: _____ (signature) |
| _____ (Notary Public printed name) | _____ (printed name) |
| | Title: _____ |

Instructions:

1. Must be signed by a key employee of the company (executive or senior level officer, project site manager, or equivalent rank).
2. Attach Required Jobs and Required Payroll Report for the relevant Project Year.
3. Provide any other supporting documentation requested by the Contract Monitor.
4. Return original to: Shawn Welcome
Director of Contract Performance
Louisiana Economic Development
Post Office Box 94185
Baton Rouge, Louisiana 70804-9185

Definitions: *[copy relevant definitions from CEA]*

“Company” means

“Facility” means

“Operation” means

“Capital Expenditure” means

“Required Capital Expenditure” means

“Job” means

“New Job means

“Payroll” means

“New Payroll” means

“Required New Payroll” means