

STATE OF NORTH CAROLINA

COUNTY OF CHATHAM

ECONOMIC DEVELOPMENT AGREEMENT

BY AND BETWEEN

VINFAST MANUFACTURING US, LLC

AND

CHATHAM COUNTY, NORTH CAROLINA

DATED as of October ___, 2022

ECONOMIC DEVELOPMENT AGREEMENT

This Agreement (this “Agreement”) is entered into, effective as of the ____ day of October, 2022 (“Effective Date”), by and between VinFast Manufacturing US, LLC (the “Company”) and Chatham County (the “County”). Together the Company and the County are referred to herein as the “Parties” and, individually, as a “Party.”

RECITALS

WHEREAS, the County is vitally interested in the economic welfare of its citizens and the creation and maintenance of sustainable jobs for its citizens in strategically important industries and therefore wishes to provide the necessary conditions to stimulate investment in the local economy and promote business, resulting in an increase in the County’s ad valorem tax base, the creation of a substantial number of jobs at competitive wages, and to encourage economic growth and development opportunities which the County has determined will be made possible pursuant to the Project; and

WHEREAS, the Company desires to construct an advanced manufacturing facility in Chatham County; and,

WHEREAS, in order to implement the foregoing, the Company has proposed to make a capital investment at the Site from sources available to the Company, including the Company’s resources and all grants and other sources of financing, to construct and operate an advanced electric vehicle manufacturing facility and other ancillary and related uses. The Facility (“Facility”), along with the land constituting the Site and the jobs referred to herein, are referred to herein as the “Project.” The Company expects that the Project will include real property, buildings, fixtures, machinery, and equipment having an initial aggregate Increased Tax Value of approximately \$4 billion dollars (\$4,000,000,000.00), and expects to create approximately seven thousand five hundred (7,500) full time equivalent jobs at an average wage exceeding or equal to that of the median average wage for Chatham County as described herein; and

WHEREAS, the County acknowledges that the Project will bring direct and indirect benefits to the County, including job creation, increase in the ad valorem tax base, and economic diversification and stimulus, and has therefore offered economic development incentives to induce the Company to locate the Project at the Site, and such local incentives do in fact induce the Company to locate the Project at the Site; and

WHEREAS, the Company fully intends to establish, through the Project, an important presence in the County by employing a large number of local employees and making substantial investments in the Project and in the training and development of such employees; and

WHEREAS, the County hereby acknowledges that the terms of this Agreement, including specifically the local incentives described in this Agreement, constitute a dispositive inducement to the Company to locate the Project at the Site, and the Company

hereby represents that its decision to locate the Project at the Site following a competitive selection process conducted by the Company among two or more states is based, in part, on the County's offer of local incentives described in this Agreement and related agreements and documents; and

WHEREAS, the County is authorized pursuant to N.C.G.S. §158-7.1 to provide financial and other incentives; any action in this regard would follow a public hearing by the County's Board of Commissioners and a subsequent decision by that Board as to such matters before it; and the Board will assure that the County receives additional tax base, increase of jobs, and other economic stimuli of the local economy as a result of the Project; and,

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the County and the Company intending to be legally bound do hereby agree as follows:

ARTICLE I

DEFINITIONS

"Increased Tax Value" is that amount of ad valorem tax value, as calculated by the Chatham County tax assessor as of January 1 of the calendar year that immediately precedes the calendar year in which the County will make a Business Investment Grant payment to the Company, less the tax value of the Site on January 1, 2022. For purposes of this Agreement, the tax value of Areas A and B on January 1, 2022 is \$3,004,457. For purposes of this Agreement, the tax value of Area C on January 1, 2022 is \$2,367,683.

"Incremental Taxes" is the amount of taxes actually paid by, or on behalf of, the Company to the County as a result of the Increased Tax Value.

"EIC" shall mean the Economic Investment Committee of the State of North Carolina.

"Fiscal Year" shall mean the County's Fiscal Year, July 1 to June 30.

"Facility" shall mean the advanced manufacturing facility constructed at the TIP East Megasite located off of Old US Highway 1.

"Areas A and B" is the land depicted as Parcel A, Parcel B1, and Parcel B2 on Exhibit A and comprising approximately 990.54 acres. In the event that the Company leases or transfers ownership of any portion of Areas A and B, the portion leased or

transferred shall no longer be considered part of the Site for purposes of calculating Business Investment Grant and Land Acquisition Business Investment Grant payments.

“Area C” is the land depicted as Parcel C on Exhibit A and comprising approximately 821.02 acres..

“Site” shall mean Areas A, B, and C.

“Tax Payment Commitment” means the obligation of the Company to pay its annual property taxes to the County on a timely basis as more particularly described in Article II C.

“Operation Commitment” means the obligation of the Company to operate the Facility, subject to certain conditions, in a manner which is more particularly described in Article II D.

ARTICLE II

COMPANY REQUIREMENTS

A. Project and Minimum Investment Commitment

Company shall construct, equip, and operate the Project. The Company agrees to invest, or cause to be invested, in taxable real property improvements, machinery and equipment located on the Site that results in at least \$4 Billion in Increased Tax Value.

B. Job Commitment

Company shall create and maintain Eligible Positions, as defined in the Community Economic Development Agreement by and between the Company and the EIC, at the Project according to the following table:

Calendar Year	Total Anticipated New Eligible Positions for Project	Minimum To Meet Job Commitment under this Agreement
2024	2,496	1,997
2025	4,530	3,624
2026	6,147	4,918
2027 and thereafter	7,500	6,000

Should the Company fail to meet its minimum job commitments in any year, the County’s BIG payment for that year shall be reduced in an amount that is pro-rata to the Company’s job shortfall relative to its minimum obligations to the meet the job commitment for that year.

For example, if the Company has only 3,262 jobs at the end of calendar year 2025, the BIG payment in calendar year 2026 (for calendar year 2025) shall be reduced in accordance with the value that is the pro rata of $3,262 / 3,624$, or 90%. Thus, the BIG payment for the relevant period that is only 90% of the amount of the BIG payment for which it is otherwise eligible.

In order to receive a BIG payment, the Company shall provide to the County by March 1 a certification of the number of jobs filled at the end of the prior calendar year and aggregate average wage for those jobs. In order to qualify for a BIG payment, the aggregate average wage for reported jobs must be at least \$46,000. In the event that the Company has not provided a certification by March 1, the County shall give notice of that default and the Company shall have fifteen days from receipt of the notice to cure. The County and the Company agree that the provision to the County by the Company of a copy of the annual report submitted to the EIC shall be sufficient to meet the requirements of this Article II.B.

C. Tax Payment Commitment

The Company shall not, during the period in which it is eligible to receive BIG payments, be in arrears in the payment of its annual property taxes to the County. In the event that the Company fails the Tax Payment Commitment, the County may withhold BIG and LABIG payments until the Company satisfies the Tax Payment Commitment, at which time all previously withheld payments shall be made by the County.

D. Operation Commitment

Except in the case of an event of Force Majeure, the Company shall continuously operate the Facility from the date on which the Facility is qualified for such operations by appropriate governmental authorities until the conclusion of the period in which it is eligible to receive BIG payments. For purposes of this Agreement, "Force Majeure" shall mean any cause preventing or hindering the performance of this Agreement arising from or attributable to acts, events or circumstances beyond the reasonable control of the Company including epidemic of disease, act of God, shortage of materials, war (declared or undeclared), labor disputes, accidents, acts of terrorism, fire, breakdown of machinery, epidemic or pandemic, government requisition or impoundment or other acts of any governmental agency (including such authority acting in a contractual or regulatory capacity), and riot or civil commotion. Notwithstanding anything to the contrary in this Agreement, a temporary shutdown of operations for less than 6 months for any reason shall not be considered a breach of the Operation Commitment. If the Company violates the Operation Commitment, the County may withhold BIG and LABIG payments until the Company recommences operations of the Facility.

ARTICLE III

LOCAL ECONOMIC DEVELOPMENT INCENTIVES

A. Assignment of Option Agreement

The County hereby assigns and transfers to the Company all of its rights, title, claims and interests in and to the Option Agreements attached hereto as Exhibit B. Attached hereto as Exhibit C are the owners' written consent to this assignment.

B. Business Investment Grant ("BIG")

The County shall provide to the Company a 20-year Business Investment Grant based on the Chatham County Incentives Policy for Transformational Projects – Level 3. Pursuant to that policy, the BIG shall be paid annually in an amount determined by the following percentages of Incremental Taxes in the current Fiscal Year:

Years 1-4 – 90%
Years 5-8 – 80%
Years 9-11 – 75%
Years 12-15 – 60%
Years 16-20 – 50%

The Company shall give written notice to the County by January 1 in the year that the Company chooses to begin BIG payments. Such notice shall be given no later than January 1, 2027. BIG payments shall be made on or before May 1.

C. Areas A and B Land Acquisition Business Investment Grant ("LABIG")

In lieu of providing land to the Company, the County shall provide to the Company a Land Acquisition Business Investment Grant in a total amount of \$24,164,200. The LABIG shall be paid annually in an amount determined by the following percentages of Incremental Taxes in Areas A and B in the current Fiscal Year:

Years 1-4 – 5%
Years 5-8 – 15%
Years 9-11 – 20%
Years 12-15 – 35%
Years 16-20 – 45%

Notwithstanding the forgoing, in the year in which a scheduled LABIG payment would, together with previous LABIG payments, total or exceed \$24,164,200, the LABIG payment shall be in an amount that would, together with previous LABIG

payments, total \$24,164,200. Once LABIG payments total \$24,164,200, the County's obligation to make LABIG payments shall end.

LABIG payments shall begin in the same year that BIG payments begin. LABIG payments shall be made on or before May 1.

D. Area C Land Acquisition Business Investment Grant ("Area C-LABIG")

In lieu of providing land to the Company, and if the Company makes investments that generate Incremental Taxes in Area C, the County shall provide to the Company an Area C Land Acquisition Business Investment Grant in an amount up to \$20,525,500. If, during the term of this Agreement, the Company sells any portion of Area C, the maximum Area C-LABIG payments shall be reduced at the rate of \$25,000 per acre sold.

The Area C-LABIG may begin in any year in which the Company is entitled to receive a BIG payment and shall be paid annually in an amount determined by the following percentages of Incremental Taxes in Area C paid by or on behalf of the Company in the current Fiscal Year. The schedule shall run concurrently with the schedule for BIG and LABIG regardless of when payments begin. For example, if Area C-LABIG payments begin in year 6, the Area C-LABIG payments will be 15%.

Years 1-4 – 5%
Years 5-8 – 15%
Years 9-11 – 20%
Years 12-15 – 35%
Years 16-20 – 45%

Notwithstanding the forgoing, in the year in which a scheduled Area C LABIG payment would, together with previous Area C-LABIG payments, total or exceed \$20,525,500, the Area C-LABIG payment shall be in an amount that would, together with previous Area C-LABIG payments, total \$20,525,500. Once Area C-LABIG payments total \$20,525,500, the County's obligation to make Area C-LABIG payments shall end. In addition, after year 20, the County shall have no obligation to make Area C-LABIG payments even if previous Area C LABIG payments have not totaled \$20,525,500.

Area C-LABIG payments shall be made on or before May 1.

E. Recapture

If at any time the Company fails to satisfy its Operation Commitment, the Company shall repay the County fifty percent of the most recent BIG and LABIG payments.

In the event that the County made a BIG payment in reliance on a job certification that is later determined to have an inaccurate Eligible Positions number or be materially

inaccurate, the Company shall repay the County any overpayment that is based on the inaccuracy.

F. Waiver of Fees & Expedited Permitting Process

To the extent permitted by law, the County agrees to waive all permit fees applicable to the construction of the Facility.

The County agrees, to the greatest extent possible under applicable law, (a) to facilitate and expedite, all County-administered permits, plan approvals, zoning approvals, inspections and other required approvals, certificates and/or licensing necessary or appropriate in connection with the Site, the construction of the Facility, or the Project in a manner prescribed by a customized review schedule and, (b) where appropriate and lawful, to waive any County regulation related to any such permits, zoning approvals, inspections or other required approvals or licensing and, (c) that Company may apply for more than one type of local permit, approval certificate, or plan at a time, and applications for such permits, approvals, certificates, plans shall be reviewed concurrently by the County to the extent possible and, (d) to exercise reasonable diligence in cooperating with the Company to facilitate the issuance of any State of North Carolina and/or federal permits and approvals which may be required for construction of the Facility and, (e) to provide, at the County's expense, a full-time building inspector ("Resident Code Inspector") holding the appropriate licenses required for the construction of the Facility, for the period of time necessary for permitting approval by that Resident Code Inspector provided, however, that full discretion is retained by County staff, the Resident Code Inspector, and the County to act independently upon such approvals and licensing taking into account relevant information and considerations as allowed by statute, code, and the County's ordinances. The Resident Code Inspector shall be available to the Company on its Site during normal business hours from 8 AM to 5 PM.

ARTICLE IV

OTHER PROVISIONS

A. Notices

All communications and notice expressly provided for herein shall be sent, by registered first class mail, postage prepaid, by a nationally recognized overnight courier for delivery on the following business day or by email (with such email to be confirmed promptly in writing sent by mail or overnight courier as aforesaid) as follows unless the relevant Party provides replacement contact information after the date hereof:

If to the County:

Dan LaMontagne, County Manager
12 East Street
Pittsboro, NC 27312
dan.lamontagne@chathamcountync.gov

If to the Company:

Brook Taylor
1686 VinFast Drive
Moncure, NC 27559
brook.taylor@vinfastauto.com

B. Entire Agreement; Amendment; Construction

This Agreement, together with the exhibits attached hereto constitutes the entire agreement between the Parties as to the subject matter referenced herein, and supersedes all prior agreements, understandings, or undertakings (whether oral, written, electronic or otherwise) between the Parties with respect to the subject matter hereof. No amendment may be made to this Agreement except with the prior written consent of all Parties hereto.

C. Governing Law; Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina. The exclusive jurisdiction for any litigation shall be in Superior Court for the 15B Judicial District of North Carolina or the United States District Court for the Middle District of North Carolina.

D. Severability; Incentives

If any court of competent jurisdiction holds any provision of this Agreement invalid or unenforceable, then (1) such holding shall not invalidate or render unenforceable any other provision of this Agreement, unless such provision is contingent on the invalidated provision; and (2) the remaining terms hereof shall, in such event, constitute the Parties' entire agreement. In the event any such provision is held to be invalid, illegal, or unenforceable, the Parties hereto shall make their best efforts to agree on a provision in substitution for such invalid, illegal or unenforceable provision that is as near in economic benefit as possible to the provision found to be invalid, illegal, or unenforceable. In the event that the validity, legality or enforceability of any local incentive and other assistance described or referred to herein as being offered or made available to the Company is challenged in any manner, the County shall (a) vigorously defend such local incentive and other assistance from such challenge, (b) seek legislative remedies to retain or restore such local incentive and other assistance, and (c) pursue the offering of other local incentives and other assistance or benefits to the Company (including to the extent other discretionary funds or benefit programs are or may become available to the County) in order that the Company may realize the economic and non-economic benefits of the local incentives and other assistance offered herein or made available hereby.

E. Assignment

Except as otherwise provided for in this Section, no Party shall have the right to assign this Agreement or any portion hereof, or any of its respective rights or obligations hereunder, without the prior written consent of the other Party; provided, however, the Company may assign this Agreement to an affiliate of the Company without the County's prior written consent.

F. Certificate of Authority

The Company or any assignee shall ensure a Certificate of Authority is filed with the North Carolina Office of the Secretary of State to transact business in the State of North Carolina as required by North Carolina law promptly after the execution of this Agreement.

G. Audit Right

The County shall have the right to require that the Company provide to it a certified audit (at the County's expense), or to perform (upon reasonable notice to the Company and during normal business hours) an audit through the use of the County's staff, in order to confirm the Company's compliance with the Job Commitment contemplated in this Agreement. Any such audit will be limited in scope to the least amount of information necessary to confirm such compliance. To the fullest extent allowed by law, all of the Company's records provided to the County shall (1) not be considered or deemed a public record, (2) be kept confidential (and the County agrees to cause its employees, agents, auditors and other representatives, including any internal or

external auditors, to keep such evidence confidential), (3) be “trade secrets” under N.C.G.S. §132-1.2 and will be marked as trade secrets, (4) to the fullest extent allowed by law be held as confidential information under N.C.G.S. §132-1.2 and other law. All such records shall remain the property of the Company to be returned after the County’s review and may be used by the County only for audit purposes.

H. Agreement to Cooperate

In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties hereby agree to cooperate in defending such action; provided, however, each of the Parties shall retain the right to pursue its own independent legal defense.

I. CFIUS

Upon execution of this Agreement, Company may (in its sole discretion) commence the process of filing a voluntary declaration or voluntary notice with the Committee on Foreign Investment in the United States (“CFIUS”) pursuant to 31 C.F.R. Part 802 in relation to the Company's acquisition of the Site . The County will cooperate in good faith in all stages of the CFIUS review process and will use their reasonable best efforts to (i) provide as promptly as practicable to the Company's counsel and to CFIUS (if relevant) any information and documentary material as may be necessary, proper or advisable in connection with the Company's filing; (ii) permit the Company to review reasonably in advance any material communication (subject to appropriate redactions to maintain confidentiality of business information as mutually agreed to by the Parties) proposed to be given by the County to CFIUS, and consult with the Company in advance of any meeting or conference between the County and CFIUS, and, to the extent permitted by CFIUS, give the Company the opportunity to attend and participate in any such meeting or conference; and (iii) keep the Company apprised of the status and content of any material communications with, and any inquiries or requests for additional information or documentary material from, CFIUS, in each case to the extent permitted by applicable law and subject to customary confidentiality and all applicable privileges (including the attorney-client privilege).

J. Termination

This Agreement may be terminated:

- a. by mutual written agreement by the Company and the County;
- b. by the Company for any reason; or
- c. by the County if the Company has not created an Increased Tax Value of at least seven hundred million dollars (\$700,000,000.00) and created at least one thousand seven hundred fifty Eligible Positions by January 1, 2026; provided however that such failure shall have continued for a period of sixty (60) calendar days after written notice thereof from the County to

the Company, unless (A) the County shall agree in writing to an extension of such period prior to its expiration, or (B) during such sixty (60) day period or any extension thereof, the Company has commenced and is diligently pursuing appropriate corrective action.

In the event that this Agreement is terminated, the County shall have no further obligation to make BIG or LABIG payments.

K. Counterparts

This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Economic Development Agreement to be executed as of the date and year first above written.

ATTEST:

CHATHAM COUNTY

Name: Lindsay Ray
Title: County Clerk

By: _____
Name: Dan LaMontagne
Title: County Manager

VinFast Manufacturing US, LLC

By: _____
Name: _____
Title: _____

This instrument has been pre-audited
in the manner required by the Local
Government Budget and Fiscal
Control Act.

Roy Lynch
Chatham County Finance Director