

**CALIFORNIA ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION FINANCING AUTHORITY**

Board Meeting Date: Tuesday September 16, 2025

***Request to Approve a Time Extension for the
Initial Term of the Regulatory Agreement¹***

**Abbott Laboratories and its Subsidiary, Pacesetter, Inc.
Application No. 21-SM027**

Prepared By: *Joshua Moua, Program Analyst*

SUMMARY

Applicant: Abbott Laboratories and its subsidiary, Pacesetter, Inc.

Location: Sylmar, Los Angeles County

Industry: Medical Device Manufacturing

Project: Update and Expansion of Existing Cardiovascular Medical Device
Manufacturing Facility (Advanced Manufacturing)

Total Amount of Qualified Property Approved: \$34,950,000

Estimated Sales and Use Tax Exclusion Amount at Approval:² \$2,970,750

Total Amount of Qualified Property Purchased to Date: \$13,267,078 (38%)

Initial Board Approval Date: March 16, 2021

Amount of Time Requested:

- Requesting a two-year, three-month, and 15-day extension, until December 31, 2027, for the Initial Term of the Regulatory Agreement (a total of six years, nine months, and 15 days from the date of initial CAEATFA Board approval of March 16, 2021)

Staff Recommendation: Approval

¹ All capitalized terms not defined in this document are defined in the Sales and Use Tax Exclusion Program's statutes and regulations.

² This amount is calculated based on the average statewide sales tax rate at the time of initial approval, which was 8.5%.

BACKGROUND

On March 16, 2021, the CAEATFA Board approved a Sales and Use Tax Exclusion (“STE”) award for Pacesetter, Inc. for the purchase of up to \$34,950,000 in Qualified Property to upgrade and expand its existing cardiovascular medical device manufacturing facility located in Sylmar (the “Project”). The Regulatory Agreement (“Agreement”) initial term provided Pacesetter, Inc. with three years from the date of Board Approval to utilize its STE award.³

On February 20, 2024, the CAEATFA Board approved adding Pacesetter Inc.’s parent company, Abbott Laboratories, as a Participating Party to the STE award. At the same time, Abbott Laboratories and Pacesetter, Inc. (collectively the “Applicant”) received a one-year and six-month extension of the initial term of the Agreement from its original termination date of March 16, 2024 to September 16, 2025 to accommodate purchasing delays related to the reallocation of resources stemming from the COVID-19 pandemic.

As of June 2025, the Applicant has used the STE award to purchase approximately \$13.3 million of Qualified Property (38% of the total Qualified Property approved). The Applicant is requesting to extend the Agreement initial term by an additional two years, three months, and 15 days to accommodate internal resource and budgetary constraints, and project reprioritization.

THE APPLICANT

Pacesetter, Inc. is a Delaware corporation that formed in 1994 and is wholly owned by Abbott Laboratories, a publicly traded company on the New York Stock Exchange under the ticker symbol ABT. The Applicant designs, manufactures, and distributes medical devices to treat patients with heart arrhythmia conditions.

The corporate officers of the Applicant are:

- Robert B. Ford, Chairman and Chief Executive Officer
- Hubert L. Allen, Executive Vice President, General Counsel & Secretary
- Phil Boudreau, Executive Vice President, Finance and Chief Financial Officer
- Lisa D. Earnhardt, Executive Vice President and Group President, Medical Devices

THE PROJECT

The Applicant received an STE award to upgrade and expand its existing cardiovascular medical device manufacturing facility located in Sylmar. According to the Applicant, the Project will include the upgrade of its production, research, design, and quality control equipment, as well as the renovation of its over 400,000 square-foot facility to improve its design and production space.

The Applicant states it uses high performance tools and advanced materials to ensure its devices, namely pacemakers, can operate properly within the human body for years. Additionally, the Applicant explains it is continually innovating by manufacturing smaller

³ California Code of Regulations Title 4, Division 13, Section 10035(b)(1)

and smaller products, which requires an extremely high degree of precision. To that end, the Applicant states the Project will use hermetic laser sealing techniques to produce impenetrable devices, and quality control testing to ensure devices are leak-free.

The Applicant also has an Environmental Sustainability Plan that seeks to reduce the Applicant's environmental impact. In an effort to reduce energy consumption, the Applicant explains the Project will include the installation of higher-energy-efficient chiller systems, voltage optimizers, and high-efficiency LED light fixtures with motion sensors. The Applicant states that the Project will also include reuse and recycling programs to reduce solid waste and minimize the impact of waste from its packaging and manufacturing process.

AGREEMENT INITIAL TERM EXTENSION REQUEST

The Applicant has requested that the initial term of the Agreement be extended from September 16, 2025, to December 31, 2027, in order to accommodate internal resource and budgetary constraints, and project reprioritization.

STAFF EVALUATION

The CAEATFA Board can extend the initial term of the Agreement upon a finding that an extension is in the public interest and advances the purposes of the STE Program.⁴

The Applicant states that since its first extension, it has recovered from the pandemic related setbacks and spent an additional \$5 million on qualified purchases, however, due to recent project reprioritization, the Applicant is experiencing additional setbacks. According to the Applicant, there is a high volume of projects across the areas and regions in which the Applicant operates, and its business unit has had to make a difficult decision as to which projects will receive priority as a result of internal conflicts and limited resources.

The Applicant shares it continues to experience strong growth and an increase in demand for its products despite the internal issues. Since the Applicant's STE approval, it has been provided a budget of approximately \$27.3 million through 2026 for the Project, including a \$3 million buildout of logistics and manufacturing areas in Sylmar that is expected to be completed in Q4 2025. In addition, the Applicant's board has approved a project to update its quality control areas completion by summer of 2026. The Applicant states that the scope of the Project has not changed, but it has had to geographically expand by apportioning part of the business plans to a new facility in Pleasanton and make other ancillary investments in order for it to fully utilize the remaining STE award by the end of 2027.

Based on this information, Staff believes extending the initial term of the Agreement will allow for the Project to be completed, and is, therefore, in the public interest and advances the purposes of the STE Program.

⁴ California Code of Regulations Title 4, Division 13, Section 10035(b)(1)(B)

LEGAL QUESTIONNAIRE

Staff has reviewed the Applicant's responses to the questions contained in the Legal Status portion of the extension request. The Executive Director, in consultation with legal counsel, has determined that the legal issues disclosed do not affect the financial viability or legal integrity of the Applicant.

CAEATFA FEES

In accordance with STE Program regulations,⁵ the Applicant's request to extend the initial term qualifies as a modification to the Applicant's Agreement, incurring additional fees. The Applicant has paid the additional fee of \$2,000.

RECOMMENDATION

Staff recommends that the Board approve the Applicant's request to extend the initial term of the Agreement by two years, three months, and 15 days, until December 31, 2027, as it is in the public interest and advances the purposes of the STE Program, and the full term shall be for a period of 11 years, three months, and 15 days, until July 1, 2032, for providing annual compliance reports.⁶

ATTACHMENTS

Attachment A: Pacesetter, Inc.'s Letter Requesting Waiver (May 30, 2025)

Attachment B: Pacesetter, Inc.'s Staff Summary at the Time of Approval

⁵ California Code of Regulations Title 4, Division 13, Section 10036(c)(1)(B)

⁶ California Code of Regulations Title 4, Division 13, Section 10035(a)(2)

**RESOLUTION APPROVING A TIME EXTENSION FOR
ABBOTT LABORATORIES AND ITS SUBSIDIARY, PACESETTER, INC.'S INITIAL
TERM FOR THE REGULATORY AGREEMENT**

September 16, 2025

WHEREAS, on March 16, 2021, the California Alternative Energy and Advanced Transportation Financing Authority (the "Authority"), a public instrumentality of the State of California, approved a Sales Tax Exclusion ("STE") in the amount of \$34,950,000 of Qualified Property for **Abbott Laboratories and its subsidiary, Pacesetter, Inc.** (the "Applicant"); and

WHEREAS, within three (3) years of approval by the Authority, the Applicant must make all Qualified Property purchases (STE Program regulations Section 10035(b)(1)); and

WHEREAS, upon a finding that it is in the public interest and advances the purposes of the Program, the Authority may waive the requirement that all purchases of Qualified Property be made within three (3) years of Application approval (STE Program regulations Section 10035(b)(1)(B)); and

WHEREAS, the Applicant previously had requested a waiver of the requirement to purchase all of the Qualified Property within three (3) years due to unexpected delays in the Project timeline, extending the term by one (1) year and six (6) months to September 16, 2025; and

WHEREAS, the Applicant has requested a waiver of the requirement to purchase all of the Qualified Property by September 16, 2025, due to unexpected delays in the Project timeline, extending the term by two (2) years, three (3) months, and fifteen (15) days to December 31, 2027; and

WHEREAS, granting the waiver will allow the Project to proceed and the state to receive the anticipated environmental and economic benefits that justified the initial approval of the Project in accordance with the law, thereby advancing both the public interest and the purposes of the Program.

NOW, THEREFORE, BE IT RESOLVED by the California Alternative Energy and Advanced Transportation Financing Authority, as follows:

Section 1. The Authority finds that it is in the public interest and advances the purposes of the Program to extend the Applicant's initial term of the Regulatory Agreement to December 31, 2027.

Section 2. This resolution shall take effect immediately upon its passage.

Attachment A: Pacesetter, Inc.'s Letter Requesting Waiver (May 30, 2025)



May 30, 2025

CAEATFA
Attn: Xee Moua, Program Analyst
915 Capitol Mall Room 587
Sacramento, CA 95814

RE: CAEATFA STE Master Regulatory Agreement ("MRA") Extension Request – Pacesetter, Inc. (21-SM027)

Dear CAEATFA Board Members & Staff,

Abbott Laboratories and its Subsidiary, Pacesetter, Inc. ("Pacesetter") respectfully requests a two (2) year and three (3) month extension on its CAEATFA STE MRA award, until December 31, 2027, to procure its remaining CAEATFA STE Qualified Property.

Pacesetter's CAEATFA STE award became effective as of March 24, 2021, which unfortunately occurred during the COVID-19 pandemic that caused massive economic shutdowns across the globe. Pacesetter's plans to build-out and expand its' current R&D and production facilities in Sylmar were delayed. Since the last extension, the Company has recovered from setbacks related to COVID-19 and has successfully purchased an additional \$5M in QP. However, Pacesetter has recently faced internal conflicts and limited resources which have further delayed its projected plans and budgeted spend has been lower than previously anticipated. More specifically, the business unit tasked with Pacesetter's projects is currently managing a high volume of projects across multiple areas and regions. To fit within the financial budget constraints, the Company had to reprioritize its projects to align with overall business strategies and growth. As a result, many projects planned for 2025 are delayed to 2026 due to these budgetary constraints. Unfortunately, these were unforeseen circumstances at the time of the last application.

Despite the current economic landscape and budget constraints, the Company continues to see growth and high demand for its' products. As of June of 2025, the company has purchased over \$13M or 38% of Qualified Property. With strong revenue projections, Pacesetter has an approved budget for the expansion and upgrade of its California facilities for an estimated \$14M through 2026. This includes an estimated \$3M buildout of its facilities for upgrades to its logistics and manufacturing equipment areas expected to be completed in Q3 and Q4 of 2025 at its Sylmar location. The company's board has also approved a project to update its quality control areas in Sylmar with completion by summer of 2026. Pacesetter's projects these upgrades in conjunction with several improvement projects planned for its Pleasanton location and other ancillary expenditures will allow the Company to fully exhaust the remaining spend in 2027. Although the budget for 2027 has not yet been formalized and approved, Pacesetter projections are based on annualized historic expenditure and anticipated projections, and the Company is confident it will successfully exhaust the remaining award by the end of 2027. The scope of the project remains unchanged, and Pacesetter does not anticipate the need for an additional extension beyond this request.

Please reach out to us with any questions. Thank you in advance for your time and careful consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alex Tran'.

Alex Tran
Consultant Representative

cc: CAEATFA@sto.ca.gov
xee.moua@treasurer.ca.gov
alex.tran@CALincentives.com
sarah.hoyt@CALincentives.com

Attachment B: Pacesetter, Inc.'s Staff Summary at the Time of Approval

The original award staff summary can be found on the [CAEATFA website](#).

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Resolution No. 21-SM027
Application No. 21-SM027

**CALIFORNIA ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION FINANCING AUTHORITY**

Request to Approve Project for a Sales and Use Tax Exclusion¹

Pacesetter, Inc.
Application No. 21-SM027

Tuesday, March 16, 2021

Prepared By: *Matthew Jumps, Program Analyst*

SUMMARY

Applicant – Pacesetter, Inc.

Location – Sylmar, Los Angeles County

Industry – Medical Device Manufacturing

Project – Update and Expansion of Existing Cardiovascular Medical Device Manufacturing Facility (Advanced Manufacturing)

Value of Qualified Property	Estimated Sales and Use Tax Exclusion (“STE”) Amount ²
\$34,950,000	\$2,970,750

Estimated Net Benefit ³	Dollar Value	Points Earned ⁴
Estimated Fiscal Benefits	\$2,656,610	894
Estimated Environmental Benefits	N/A	51
Additional Benefits	N/A	163
Total	\$2,656,610	1,109
Estimated Quantifiable Net Benefit	-\$314,140	

Staff Recommendation – Approval

¹ All capitalized terms not defined in this document are defined in the STE Program’s statutes and regulations.

² This amount is calculated based on the average statewide sales tax rate of 8.5%.

³ Applications that earn a Total Score of at least 1,000 points and an Environmental Benefits Score of over 20 points may be recommended for approval. (California Code of Regulations Title 4, Division 13, Section 10033(c)(6).)

⁴ Dollar values and point values in the staff summary may not add up correctly due to rounding in the Application worksheet.

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Resolution No. 21-SM027-02

Agenda Item – 4.G.27
Resolution No. 21-SM027
Application No. 21-SM027

THE APPLICANT

Pacesetter, Inc. (the “Applicant”), is a Delaware corporation that formed in 1994. The Applicant is wholly-owned by Abbott Laboratories, which is publicly traded on the New York Stock Exchange under the ticker symbol ABT. The Applicant designs, manufacturers, and distributes medical devices to treat patients with heart arrhythmia conditions.

The corporate officers of the Applicant are:

Miles White, Executive Chairman of the Board
Robert Ford, CEO
Hubert Allen, EVP, General Counsel & Secretary
Robert Funck, EVP, Finance & CFO
Lisa Earnhardt, EVP, Medical Devices

THE PROJECT

Pacesetter, Inc., is requesting an STE award to upgrade and expand its existing cardiovascular medical device manufacturing facility located in Sylmar (the “Project”). According to the Applicant, the Project will include the upgrade of its production, research, design, and quality control equipment, as well as the renovation of its over 400,000 square-foot facility to improve its design and production space.

The Applicant states it uses high performance tools and advanced materials to ensure its devices, namely pacemakers, can operate properly within the human body for years. Additionally, the Applicant explains it is continually innovating by manufacturing smaller and smaller products, which requires an extremely high degree of precision. To that end, the Applicant states the Project will use hermetic laser sealing techniques to produce impenetrable devices, and quality control testing to ensure devices are leak-free.

The Applicant also has an Environmental Sustainability Plan that seeks to reduce the Applicant’s environmental impact. In an effort to reduce energy consumption, the Applicant explains the Project will include the installation of higher-energy-efficient chiller systems, voltage optimizers, and high-efficiency LED light fixtures with motion sensors. The Applicant states that the Project will also include reuse and recycling programs to reduce solid waste and minimize the impact of waste from its packaging and manufacturing process.

ANTICIPATED COSTS OF QUALIFIED PROPERTY

The anticipated Qualified Property purchases are listed below:

Manufacturing/Production Equipment, Machinery & Related Property	\$11,125,000
Laboratory Devices & Instruments	\$2,225,000
Logistics, Storage Systems & Related Property	\$2,000,000

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Quality Control/Testing Equipment & Related Property	\$3,250,000
Computers & IT Property	\$750,000
Design, Engineering, Research & Development Property	\$2,850,000
Buildout of Facilities, Upgrades & Real Property Improvements	\$12,750,000
Total	\$34,950,000

Note: The Qualified Property purchases reported in the Application and shown here in staff's report are estimated costs. At the termination of the Regulatory Agreement, a finalized Project equipment list will be prepared detailing the value of the Project equipment actually acquired, and the estimated tax benefit realized pursuant to Revenue and Tax Code Section 6010.8. Variance from the costs shown in the Application and in this report may occur prior to the closing due to increased costs of certain components of the Project over original estimates, and other reasons. In addition, those costs may vary after closing due to increased costs, as well as common design and equipment modifications during construction, differences in equipment due to future changes in statute or regulation, or for other reasons.

TIMELINE

According to the Applicant, the upgrade of its manufacturing equipment and build-out of its facility will commence in the second quarter of 2021 and continue over the term of the award.

STATUS OF PERMITS/OTHER REQUIRED APPROVALS

According to the Applicant, it has secured or will timely secure all necessary building, installation, and operational permits from Sylmar and Los Angeles County.

PROJECT EVALUATION

PROJECT BENEFITS

The Project received a Total Score of 1,109 points, which exceeds the required 1,000-point threshold, and a total Environmental Benefits Score of 51 points, which exceeds the 20-point threshold.

- A. Fiscal Benefits (894 points).** The net present value of the total fiscal benefits over the lifetime of the Qualified Property is derived from the Applicant's sales and use taxes, personal income taxes paid by the firm's employees, firm taxes on profits, property taxes, and other indirect fiscal benefits of the Applicant. The total fiscal benefits amount to \$2,656,610, resulting in a Fiscal Benefits score of 894.
- B. Environmental Benefits (51 points).** The Project earned an Environmental Benefits Score of 51. The Applicant received points in the following categories:

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1. **Environmental Sustainability Plan (20 of 20 points)**. The Applicant will implement an environmental sustainability plan for its Project that aims to better manage water use, reduce carbon emissions through expanding renewable energy use, and reduce solid waste through reuse and recycling programs.
 2. **Energy Consumption (21 of 30 points)**. The Applicant anticipates the Project will result in a 21% reduction in energy consumption compared to the Applicant's previous manufacturing process through the replacement of less efficient lighting with high-efficiency LED light fixtures and motion sensors.
 3. **Solid Waste (10 of 30 points)**. The Applicant anticipates the Project will result in a 10% reduction in the solid waste produced relative to the Applicant's previous manufacturing process through the use of higher efficiency waste compactors (e.g. packaging materials from raw goods), as well as the implementation of higher efficiency organic waste programs.
- C. **Additional Benefits (163 points)**. Applicants may earn additional points for their Total Score. The Applicant received 163 additional points.
1. **Production Jobs (60 of 75 points)**. The Applicant anticipates the Project will support a total of 1,045 production-related jobs at its Facility. CAEATFA estimates that approximately 29.84 of these jobs will be attributable to a marginal increase in jobs created due to the STE. Based on the amount of STE per estimated number of jobs created, the Applicant earned 60 points.
 2. **Construction Jobs (0 of 75 points)**. The Applicant anticipates the Project will support a total of 18 construction jobs at its Facility. CAEATFA estimates that approximately 0.5 of these jobs will be attributable to a marginal increase in jobs created due to the STE. Based on the amount of STE per estimated number of jobs created, the Applicant earned zero points.
 3. **Unemployment (28 of 50 points)**. The Applicant's Project is located in Los Angeles County, which has an average annual unemployment rate of 11.6%.⁵ When compared to the statewide average annual unemployment rate of 9.1%, the Project location earned the Applicant 28 points.
 4. **Research and Development Facilities (25 of 25 points)**. The Applicant has verified that it has a facility located in California that performs research and development functions related to cardiovascular medical device manufacturing.

⁵ Unemployment rates are based on data available in October 2020.

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5. **Workforce Partnerships (25 of 25 points).** The Applicant has partnerships with California universities, including USC, UC Berkeley, Stanford, and Cal Poly, for the purpose of assisting in the training of potential future workers.
6. **Benefits and Fringe Benefits (25 of 25 Points).** The Applicant states it provides medical, health, dental, vision, bonuses, retirement contributions, dependent care & assistance reimbursement, education reimbursement, employee discounts, and paid leave to its employees, earning the Applicant 25 points.

LEGAL QUESTIONNAIRE

Staff reviewed the Applicant's responses to the questions contained in the Legal Status portion of the Application. The responses did not disclose any information that raises questions concerning the financial viability or legal integrity of this Applicant.

CAEATFA FEES

In accordance with CAEATFA Regulations,⁶ the Applicant has paid CAEATFA an Application Fee of \$10,000, and will pay CAEATFA an Administrative Fee of up to \$139,800.

RECOMMENDATION

Staff recommends the approval of Resolution No. 21-SM027 for Pacesetter, Inc.'s purchase of qualifying tangible personal property in an amount not to exceed \$34,950,000, anticipated to result in an approximate STE value of \$2,970,750.

⁶ California Code of Regulations Title 4, Division 13, Section 10036.

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Resolution No. 21-SM027-02

Agenda Item – 4.G.27
Resolution No. 21-SM027
Application No. 21-SM027

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A
REGULATORY AGREEMENT WITH PACESETTER, INC.**

March 16, 2021

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority (the “Authority”) has received the Application of **Pacesetter, Inc.** (the “Applicant”), for financial assistance under the Sales and Use Tax Exclusion Program, as established in Public Resources Code Section 26011.8; and

WHEREAS, the Applicant qualifies as a Participating Party under Public Resources Code Section 26011.8 and Revenue and Taxation Code Section 6010.8; and

WHEREAS, the Applicant’s qualifying tangible personal property meets the requirements of a Project under Public Resources Code Section 26011.8 and Revenue and Taxation Code Section 6010.8 (the “Project”); and

WHEREAS, after the Authority approves an Application, the Authority enters into a Regulatory Agreement, as described in Authority Regulations Section 10030(a), with the Applicant for the Project; and

WHEREAS, the Applicant has estimated the Project has an estimated cost not to exceed \$34,950,000 over a period of three years; and

WHEREAS, the Applicant asserts that this form of financial assistance will enable it to avail itself of the benefits of an exclusion from sales and use taxes relative to the Project pursuant to Revenue and Taxation Code Section 6010.8; and

WHEREAS, the approval of the terms of the Regulatory Agreement and authority for the Executive Director or Chair of the Authority to execute the necessary documents to effectuate the Regulatory Agreement is now sought;

NOW, THEREFORE, BE IT RESOLVED by the California Alternative Energy and Advanced Transportation Financing Authority, as follows:

Section 1. The Regulatory Agreement includes a Project within the meaning of Public Resources Code Section 26003(a)(8)(B).

Section 2. The Regulatory Agreement constitutes financial assistance within the meaning of Public Resources Code Section 26003(a)(6).

Section 3. The Applicant is a participating party within the meaning of Public Resources Code Section 26003(a)(7).

Section 4. The Executive Director or Chair of the Authority (the “Authorized Signatories”) are hereby authorized for and on behalf of the Authority to approve any changes to the Project as the Authorized Signatories deem appropriate, provided that the amount of the

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qualifying tangible personal property to be purchased for the Project may not be increased above the amount approved by the Authority.

Section 5. The proposed form of the Regulatory Agreement between the Applicant and the Authority, as filed with the Authority prior to this public meeting, is hereby approved. For, on behalf and in the name of the Authority, the Authorized Signatories are hereby authorized and directed to execute, acknowledge, and deliver to the Applicant the Regulatory Agreement in substantially the form filed with or approved by the Authority.

The Regulatory Agreement may contain insertions, deletions or changes as the Authorized Signatories executing the Regulatory Agreement may require or approve, including particular information inserted in substantial conformance with the staff summary and in the Application to the Authority. The approval of the Regulatory Agreement will be conclusively evidenced by the execution and delivery of the final Regulatory Agreement.

The Authority understands and agrees that, pursuant to the terms of the Regulatory Agreement, the obligations of the Applicant, under some circumstances, may be carried out or assumed by a successor or assignee entity, or by an affiliate of the Applicant.

Section 6. Each of the Authorized Signatories, acting alone, is hereby authorized and directed to do any and all ministerial acts, including, without limitation, the execution and delivery of any and all documents and certificates they may deem necessary or advisable to consummate the Regulatory Agreement and otherwise effectuate the purposes of this Resolution.

Section 7. The Applicant shall ensure that all of the qualifying tangible personal property acquired as part of the Project that is listed in the semi-annual reports provided to the Authority pursuant to the Regulatory Agreement will be installed, maintained and operated in compliance with all applicable local, state and federal laws.

Section 8. The Regulatory Agreement shall only apply to qualifying tangible personal property acquired as part of the Project that the Applicant certifies will be installed, maintained and operated at facilities physically located within the State of California.

Section 9. Neither the adoption by the Authority of this Resolution for the Applicant nor the Regulatory Agreement may be referred to in any application before any governmental agency as evidence of the feasibility, practicality or suitability of the Project and may not be referred to in any application for any required permission or authority to acquire, construct or operate the Project.

Section 10. This Resolution is effective immediately and will remain in full force and effect unless the Regulatory Agreement is not executed within thirty (30) days of the date of this Resolution. The Executive Director may extend the thirty (30) days if necessary.