



GOVERNOR GREG ABBOTT
ECONOMIC DEVELOPMENT & TOURISM

Texas Semiconductor Innovation Fund Application Private Sector

The **Texas Semiconductor Innovation Fund** is used to award grants to business entities with an established presence in this state to encourage economic development related to semiconductor manufacturing and design.

To be eligible for a grant from the **Texas Semiconductor Innovation Fund**, a project must align with the goals of the Texas Semiconductor Innovation Consortium specified in Section 481.652, Texas Government Code. The review process evaluates a variety of factors associated with each project including job creation, capital investment, financial strength of the Applicant, Applicant business history, analysis of the relevant business sector, public and private sector financial support, and the overall impact of the Applicant’s proposed project.

Applications must be submitted to the Economic Development and Tourism Office (“EDT”) in the Office of the Governor (“OOG”). If a project is approved for a grant offer using the **Texas Semiconductor Innovation Fund**, an applicant must execute a grant contract that ensures Texas taxpayer funds are spent effectively and efficiently.

For more information, contact the Economic Development and Tourism Office at (512) 936-0100 or visit <https://gov.texas.gov/business/page/tsif>.

SUBMISSION INSTRUCTIONS

*****Applicants are encouraged to contact the Economic Development & Tourism Office prior to submission.*****

An applicant must submit a complete application to the Economic Development & Tourism Office at tsif@gov.texas.gov. The EDT will not accept non-electronic applications.

Include all requested information for all sections. The OOG will develop any performance documents or grant contracts using details represented in this application. Be accurate and thorough to avoid delays in processing.

Where no response is possible, the appropriate response is “N/A”.

Attachments and additional pages are not required unless specifically requested in the application. The EDT will request any necessary supplemental information; the Applicant must provide any additional information requested by the EDT within the time period the EDT specified in the request for supplemental information.

The Applicant may execute its completed application with original signatures or electronically. The EDT will not accept draft or incomplete applications.

The application is subject to modification. Should the application be modified prior to action being taken on the application, the EDT will notify the Applicant and the Applicant must submit any additional information required because of the modifications.

Applications will be accepted on a rolling basis.

CERTIFICATION OF APPLICATION – APPLICANT

Authorized Business Representative (This is the Applicant)

First Name _____ Last Name _____

Title _____

Organization _____

Street Address _____

Mailing Address _____
City _____ State _____ Zip _____ - _____
Phone Number _____ Mobile Number _____
Email Address _____ Website _____

Authorized Consultant Representative

The following consultant is authorized to provide and obtain information related to this application. However, the State of Texas reserves the right to contact the Applicant directly at any time.

Consultant Name _____ Phone Number _____
Consultant Email _____ Company _____

To the best of my knowledge and belief, the information contained in this **Texas Semiconductor Innovation Fund** Application is true and correct, as evidenced by my signature below. I further certify that the business entity is in good standing under the laws of the state in which the entity was organized and that no delinquent taxes are owed to any taxing entity within the State of Texas.

Signature _____ Date _____
(Primary Business Representative)

Given under my hand and seal of office this ___ day of _____, _____

(Notary Seal) _____
Notary Public, State of _____
My commission expires _____

CERTIFICATION OF APPLICATION – COMMUNITY

Authorized Community Representative

First Name _____ Last Name _____
Title _____
Organization _____
Street Address _____
Mailing Address _____
City _____ State _____ Zip _____ - _____

Phone Number _____ Mobile Number _____

Email Address _____ Website _____

To the best of my knowledge and belief, the information contained in this **Texas Semiconductor Innovation Fund** Application is true and correct, as evidenced by my signature below.

Signature _____ Date _____
(Authorized Community Representative)

BUSINESS APPLICANT INFORMATION

Exact legal name of the entity applying for a grant from the **Texas Semiconductor Innovation Fund**

In addition to the Applicant, list all other corporate entities associated with the project:

Federal Tax ID Number _____ Comptroller of Public Accounts (TINS) Number _____

Corporate Credit Rating and Source _____ Texas Workforce Commission Account # _____

NAICS Code _____ Service / Product Produced _____

Identify the exact named used by the Applicant to register in Texas and provide the SOS Filing # _____

Structure of Applicant (private, public, LLP, LLC, etc.) _____

Evidence of good standing under the laws of the state in which the business was formed or organized is required. **Please attach a Certificate of Status issued by the Texas Secretary of State, or the equivalent document issued by the state official having custody of the records pertaining to entities formed under the laws of that state.**

Articles of Incorporation attached: Yes No

State of Incorporation: _____

BUSINESS BACKGROUND EXPLANATION

Provide an introduction, history, and description of the business, its products, services, total sales, etc. (do not attach additional documentation).

Number of Years in Business _____

Number of Years in Texas _____

Number of Employees Worldwide _____

Number of Employees Nationwide _____

Most recent Net Income _____

Most recent Sales _____

CEO/President _____

List any person or entity that has at least 5% ownership in the Applicant:

<u>Name</u>	<u>Percent</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Corporate Family Tree

Please provide the family tree by listing the Applicant’s immediate and ultimate parent companies (if applicable), as well as all principal subsidiaries of the Applicant. Use the outline structure below as an example, or include an attachment if necessary.

- Ultimate Parent & HQ location: _____
- Immediate Parent & HQ location: _____
 - APPLICANT & HQ location: _____
 - Subsidiary A & HQ location: _____
 - Subsidiary B & HQ location: _____
 - Subsidiary C & HQ location: _____

Is the Applicant classified as “Active” by the Texas Comptroller (current on franchise tax obligations)?

Yes No

Are all currently operating parent and subsidiary entities classified as “Active” by the Texas Comptroller?

Yes No

If the answer to either question is no, please explain and/or disclose any history of tax-related forfeitures.

EXISTING JOBS AT ALL TEXAS LOCATIONS

Identify all existing locations in Texas, including those of parent, subsidiary, and affiliated companies, as well as the **Texas Semiconductor Innovation Fund** Application project site (if this location has existing jobs).

<u>Business</u>	<u>City</u>	<u>Number of Existing Jobs</u>

Will the new project result in job losses at any existing Texas location? Yes No

If yes, which location(s)?

If yes, has the affected community been notified? Yes No

PROJECT SUMMARY

Provide a brief overview of the project including the site, the scope of planned operations, type of jobs, if any, etc. (Limit response to 2000 words.)

PROJECTED DATES & MILESTONES

Project Start Date _____ Date Begin Hiring
New Employees _____
Estimated Project Completion Date _____ Fully Operational Date _____
Purchase Machinery & Equipment Date _____

PROJECT FACILITY SUMMARY

Exact location of proposed Texas site (address or intersection) _____
City, State, Zip _____

Will the Applicant own the facility? Yes No

Provide a brief overview of the facility or the physical location of the site and characteristics of the lease or construction (do not submit additional documentation).

STATE SENATOR AND REPRESENTATIVE FOR PROJECT LOCATION

State Senator

District No.: _____ Senator Name: _____

State Representative

District No.: _____ Representative Name: _____

PROJECTED CAPITAL INVESTMENT

Project is fully funded or financing is secured

Land		Working Capital	
Building(s)		Do not include working capital in calculation to the left.	
Machinery & Equipment			
Total			

Capital Investment are the items that the Applicant may capture as a capital investment on its financial reports, and includes, but is not limited to fixed assets, real property, and business personal property. Operational lease payments do not qualify as capital investment. Improvements made by landlords or investments made by developers do not qualify as capital investment. Local incentives including land or building donations should not be included as capital investment by the Applicant.

COMMITTED SOURCES OF FUNDING

Business Participation	
Financial Institution(s)	
Federal Participation	
State Participation	
Local Participation (excluding abatements)	
Other	
Total	

Provide a brief summary of committed funding in the space below (do not attach additional pages).

TSIF REQUEST & CATEGORY BREAKDOWN

TSIF REQUEST DOLLAR AMOUNT

Note: Category Total must equal the TSIF Request Dollar Amount

Category	Estimated Amount
Equipment	
Construction	
Direct operating expenses	
CATEGORY TOTAL	

Applicants will be reimbursed for authorized actual expenditures substantiated by documentation submitted to the OOG. If allowed, the OOG may use an alternative method of payment.

Grant funds may only be spent to accomplish the purposes of the Texas Semiconductor Innovation Consortium established in section 481.652, Texas Government Code.

Unless otherwise stated by the EDT in the grant application, eligible budget categories include the following cost categories:

- A. **"Equipment"** means tangible, nonexpendable personal property (including information technology systems) having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

The Applicant may use equipment paid for with OOG funds for any purpose related to semiconductor research, design, development, commercialization, and manufacturing for the Applicant, as long as the primary use of such equipment remains for grant-related purposes.

The Applicant shall not give any security interest, lien, or otherwise encumber any item of equipment purchased with grant funds. The Applicant shall permanently identify all equipment purchased under the grant by appropriate tags or labels affixed to the equipment. The Applicant shall maintain a current inventory of all equipment, which shall be available to the OOG at all times upon request, however, the title for equipment will remain with the Applicant.

The Applicant will operate, maintain, repair, and protect all equipment purchased in whole or in part with grant funds so as to ensure the full availability and usefulness of such equipment for the purposes of the CHIPS grant award. In the event the Applicant is indemnified, reimbursed, or otherwise compensated for any loss of, destruction of, or damage to the equipment purchased with grant funds, it shall use the proceeds to repair or replace said equipment.

- B. **"Construction costs"** is defined as "Construction of new buildings or renovation of existing buildings (including the installation of fixed equipment, but excluding the cost of land acquisition and off-site improvements)." New construction, or activities that would change the "footprint" of an existing facility (e.g., relocation of existing exterior walls, roofs, or floors, attachment of fire escapes) is considered an allowable construction cost.
- C. **"Direct operating expenses"** is defined as those costs not included in either Equipment or Construction costs categories and which are directly related to the day-to-day operation of the grant project.

JOB CREATION and/or RETAINED

<u>Existing</u> <u>Jobs</u>	<u>New</u> <u>Jobs</u>	<u>TOTAL</u> <u>JOBS</u>
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Note: The OOG may request a breakdown of the types of new full-time, retained or third party jobs to be created by classification, title, and the salary.

Number of new full-time jobs to be included in grant contract _____

Estimated annual *median* wage of new jobs to be created _____

Estimated annual *average* wage of new jobs to be created _____

Note: The median wage is determined by listing all salaries in ascending order and selecting the midpoint value with equal number of salaries above and below its value, or with an average of the two middle values if there is no middle number.

LOCAL INCENTIVE INFORMATION

Will local tax incentives be offered? Yes No

INCENTIVE AGREEMENT DETAILS				
	Real Property %	Business Personal Property %	Term Length in Years	Maximum Amount (if Applicable)
City				
County				
Other Taxing Entity				

Please use the following text box for additional details regarding the local tax incentives listed in the table above.

Will other local incentives be offered? Yes No

Please use the following text box for additional details regarding other local incentives.

PERMITS

Pending Current No Permits Required

Estimated state and local fee related revenue generated by this project _____

List any local, state, or federal permits that will be, or have been acquired, including the corresponding fees paid, issuing agency and the expected date of receipt, if applicable.

BUSINESS FINANCIAL DATA

If possible, the Applicant must provide the three most recent consecutive years of financial data in the form of independent, audited financial statements containing, at a minimum, the categories specified below. If the Applicant has been in business fewer than three years, the Applicant must provide data for all years in which it has been in business.

- Current Assets
- Inventories
- Total Assets
- Current Liabilities

- Total Liabilities
- Total Equity
- Net Income
- Revenue
- Cost of Goods Sold / Sales
- Current Accounts Receivable

Note: If possible, the Applicant should provide audited financial statements. If financial statements are provided from a parent entity, the parent will be required to guarantee any economic development grant contract with the State of Texas.

GRANT PROJECT TYPE

Identify the project type(s) within which this project fall:

- Electronic Design Automation Software
- Fabrication
- Assembly
- Testing
- Materials
- Packaging
- Research and Development
- Workforce
- Design
- Metrology
- Other (specify): _____

APPLICATION FOR FEDERAL FUNDS

Has the Applicant applied for federal funding in relation to the same project? Yes No

If Applicant has applied for federal funding, and to the extent possible, describe the type(s) of funding applied for, the agency(ies) to which the Applicant has applied, the amount applied for, and whether the Applicant has received the grant or if the grant would run concurrently with a grant provided in response to this application:

CONFIDENTIALITY NOTICE

The OOG, as a state agency, must comply with the Texas Public Information Act (the “Act”). Under the Act, the OOG may, but is not guaranteed to, have authority to maintain the confidentiality of the name of and other information related to an Applicant seeking to locate or expand in the state until after the location negotiations are completed. If a public information request related to the Applicant is submitted to the OOG, the OOG will (i) promptly notify the Applicant of the request, (ii) if appropriate, take all possible and appropriate actions with the Attorney General of Texas to prevent release of the information, including asserting appropriate exceptions to disclosure under the Act; and (iii) notify the Applicant opportunity to participate in the process.

The Applicant acknowledges that discussions related to this application shall be treated as confidential, and that a good faith effort will be made to prevent the disclosure of any such negotiations. The Applicant further agrees that it will not

disseminate information regarding any subsequent grant contract except as directed by the OOG. The OOG may terminate any further discussions of this application if the Applicant breaches confidentiality.

DISCLOSURE OF INTERESTED PARTIES FORM NOTICE

If the Applicant is extended a **Texas Semiconductor Innovation Fund** offer of \$1,000,000 or more, in accordance with Texas Government Code, Section 2252.908, the Applicant must submit a “Disclosure of Interested Parties Form” to the OOG at the time the Applicant submits the signed grant contract.

The disclosure of interested parties must be submitted on a form, and in a manner, prescribed by the Texas Ethics Commission. The Disclosure of Interested Parties Form (Form 1295) and instructions may be found on the Texas Ethics Commission website: <https://www.ethics.state.tx.us/filinginfo/1295/>.

The Texas Ethics Commission implemented Disclosure of Interested Parties regulations at 46 T.A.C. chapter 46, found at [http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=4&ti=1&pt=2&ch=46&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=2&ch=46&rl=Y).

CHECKLIST AND REQUESTED ATTACHMENTS:

	Texas Semiconductor Innovation Fund Application Pre-Submission Checklist	Check if Completed
A	Certification of Application signed by Applicant	
B	Certification of Application signed by Community	
C	Articles of Incorporation (include attachment)	
D	Evidence of good standing under the laws of the state in which the business was formed or organized. Certificate of Status, if formed in Texas.	
E	Franchise Tax Account Status for Applicant and all currently operating parent or subsidiary entities verified as “Active” from the Texas Comptroller of Public Accounts ¹ (include attachment)	
F	Committed Sources of Funding	
G	Texas Semiconductor Innovation Fund Request and Other State Assistance Request	
H	Audited Financial Statement(s) for Applicant (include attachment)	
I	Information regarding Federal Fund Application (if applicable)	
J	Professional Headshots and Biographies in Narrative-Form for Business Entity and Facility Leadership (include attachment)	
K	Form 1295* – Disclosure of Interested Parties ² (include attachment)	

¹ To search an entity’s Franchise Tax Account Status please visit the website of the Texas Comptroller of Public Accounts (CPA) at <https://mycpa.cpa.state.tx.us/coa/>. To resolve any issues regarding a company’s status with the Texas CPA, please contact the CPA’s Franchise Tax Division at (512) 463-4402.

² Form 1295 (Disclosure of Interested Parties) is provided by the Texas Ethics Commission at <https://www.ethics.state.tx.us/filinginfo/1295/>.

* **Publicly traded companies are not required to submit a Form 1295.**