

**Bestronics**

i. Name/address of benefiting business entity	Bestronics Inc.  2090 Fortune Drive, San Jose, CA 95131
ii. Start and end dates for the subsidy	The subsidy will start only when the following conditions have been satisfied: the FlexTech Alliance proposal is accepted by the DOD; DOD disburses grant funds to FlexTech Alliance; FlexTech Alliance executes a lease for a minimum of 5 years at the Premises for the FHEMII; Bestronics completes a building program of an estimated \$7 million and occupies the Premises; and the City has reviewed the DOD's grant to FlexTech Alliance and determined that its terms are consistent with the City's Economic Development Strategy, this memorandum and the Capital Equipment Assistance Agreement. Notice of the DOD award is anticipated by September 2015. The subsidy will start no earlier than the first date of Bestronics' occupancy of the Premises to be used for the FHE-MII in San Jose. The subsidy will end no later than the fifth anniversary of Bestronics' occupancy of the Premises. If Bestronics does not occupy the Premises on or before the second anniversary of the date on which it first received notice of the DOD grant award, the City will have no obligation to provide the subsidy.
iii. Description of the subsidy, estimated total amount of expenditure of public funds or revenue lost	The City shall reimburse Bestronics for up to \$400,000 for eligible capital equipment exclusively for clean room uses for the FHE-MH. If Bestronics or the FHE-MII cease to operate at the Premises at any time prior to the fifth year of occupancy, Bestronics shall be required to repay the amount specified in the Capital Equipment Assistance Agreement.
iv. Statement of public purpose	To preserve and strengthen manufacturing-related activity by locating the only Flexible Hybrid Technology Manufacturing Institute in the nation will bring exposure and investment into San Jose via research and development teams proto-typing the next generation of products.
v. Projected tax revenue	The improvements and capital equipment purchases made by Bestronics and the FHE-MII are estimated to result in an additional \$7,000 in secured and unsecured property tax revenue to the City of San Jose starting in 2017, amounting to \$35,000 over a five year period. Use tax from the purchase of new capital equipment should result in \$20,000

	to the City during the first five years of the FHE-MII's occupancy.
vi. Estimated number of jobs created, broken down by full time, part-time and temporary positions	The FHE-MII is expected to generate approximately 10 full time staff. More broadly, additional industry and academic assignees will locate employees in the FHE-MII as their projects begin to commercialize. This may represent an additional 25 to 35 employees operating on site.